

Registered number: [REDACTED]

[REDACTED] LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

[REDACTED] LTD

COMPANY INFORMATION

Directors

Mr [REDACTED]
Mrs [REDACTED]
Mrs [REDACTED]

Company secretary

Ms [REDACTED]

Registered number

[REDACTED]

Registered office

[REDACTED]
[REDACTED]
[REDACTED]

Independent auditors

[REDACTED]
[REDACTED]
30 Northland Row
[REDACTED]
[REDACTED]

Bankers

Bank of Ireland
25 Campsie Road
[REDACTED]
BT79 0AE

Solicitors

A&L Goodbody
42-46 Fountain Street
Belfast
Antrim
BT1 5EF

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STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

Introduction

The directors present the strategic report for the year ended 30 September 2024.

Business review

The principal activity of the company is the

The company has recorded a 25.9% decrease in turnover as a result of an expected slow down in the market, with gross margin of 26.5% (2023: 26.0%). The company is reporting a profit before tax of £199,371 (2023: £907,056).

The directors are satisfied with the company's performance for the year.

Principal risks and uncertainties

The company uses financial instruments in its business. The core risks associated with the company's financial instruments are currency risk, finance and interest rate risk, liquidity and cash flow risk, credit risk and inflation risk.

The board reviews and agrees policies for the prudent management of these risks as follows:

Currency risk

The company's main activities are conducted in the UK. This results in low levels of currency transaction risk, variances affecting operational activities in this regard are reflected in the profit and loss account in the years in which they arise.

Finance and interest rate risk

The company's objective in relation to interest rate management is to minimise the impact of interest rate volatility on interest costs in order to protect recorded profitability. A long term strategy for the management of the exposure considers the amounts of floating rate debt that is anticipated over the period and the sensitivity of the interest charge on this debt to changes in interest rates, and the resultant impact on reported profitability.

Liquidity and cash flow risk

The company's objective is to maintain a balance between the continuity of funding and flexibility through the use of borrowings with a range of maturities. The company's policy is to ensure that sufficient resources are available either from cash balances, cash flows and near liquid investments to ensure all obligations can be met when they fall due.

Credit risk

The company has no significant concentrations of credit risk. Customers who wish to trade on credit terms are subject to strict verification procedures in advance of credit being awarded and are continually being monitored.

Inflation risk

As a result of the rising rate of inflation, the company has seen the impact of this through rising costs. The company have a policy in place to continually review costs and to minimise the impact of these rising costs where possible.

Development and performance

The Directors have reviewed future cash forecasts for the company's activities and believe that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

The Directors are committed to the creation of shareholder value by increasing the company's market share through organic growth.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Other key performance indicators

The company's key performance indicators are as follows:

	2024	2023
Turnover	£8.9m	£12.0m
Gross Margin	27%	26%
Average Employee No's	114	134
Net Assets	£6.0m	£6.0m

Research and development

The company has developed and continues to develop new innovative technology to improve efficiency. It is the intention of management to launch a number of new products in the forthcoming year. The company is committed to technological development as they are constantly looking for new innovative ideas to grow develop and protect the company.

The company has been approved by the board and signed on its behalf.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

The directors present their report and the financial statements for the year ended 30 September 2024.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company is the

Results and dividends

The profit for the year, after taxation, amounted to £161,335 (2023 - £669,993).

Ordinary dividends were declared amounting to £80,000 (2023: £150,000). The directors do not recommend a further dividend.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Mr [REDACTED]
Mrs [REDACTED]
Mrs [REDACTED]

Future developments

The company plans to continue its present activities. Employees are kept as fully informed as practicable about developments within the business.



DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.


Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

The auditors,  will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 March 2025 and signed on its behalf.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ██████████ LTD

Opinion

We have audited the financial statements of ██████████ LTD (the 'company') for the year ended 30 September 2024, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ██████████ LTD (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LTD (CONTINUED)**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, industry research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company - Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF [REDACTED] LTD (CONTINUED)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

[REDACTED]
for and on behalf of
[REDACTED]
[REDACTED]
[REDACTED]

26 March 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Note	2024 £	2023 £
Turnover	4	8,897,746	12,000,813
Cost of sales		(6,538,768)	(8,883,147)
Gross profit		2,358,978	3,117,666
Administrative expenses		(2,209,796)	(2,212,684)
Other operating income	5	21,023	17,792
Operating profit	6	170,205	922,774
Interest receivable and similar income	10	36,644	3,399
Interest payable and similar expenses	11	(7,478)	(19,117)
Profit before tax		199,371	907,056
Tax on profit	12	(38,036)	(237,063)
Profit for the financial year		161,335	669,993

There was no other comprehensive income for 2024 (2023:£NIL).

The notes on pages 12 to 27 form part of these financial statements.

BALANCE SHEET
AS AT 30 SEPTEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	2,450,995	1,913,840
Investments	15	20,000	20,000
		<u>2,470,995</u>	<u>1,933,840</u>
Current assets			
Stocks	16	1,062,111	1,062,234
Debtors: amounts falling due within one year	17	1,874,946	3,440,362
Cash at bank and in hand	18	2,648,017	2,323,011
		<u>5,585,074</u>	<u>6,825,607</u>
Creditors: amounts falling due within one year	19	(1,344,460)	(2,372,195)
Net current assets		<u>4,240,614</u>	<u>4,453,412</u>
Total assets less current liabilities		<u>6,711,609</u>	<u>6,387,252</u>
Creditors: amounts falling due after more than one year	20	(204,778)	-
Provisions for liabilities			
Deferred tax	22	(437,274)	(399,030)
		<u>(437,274)</u>	<u>(399,030)</u>
Net assets		<u>6,069,557</u>	<u>5,988,222</u>
Capital and reserves			
Called up share capital	23	10,000	10,000
Profit and loss account		6,059,557	5,978,222
		<u>6,069,557</u>	<u>5,988,222</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 March 2025.



The notes on pages 12 to 27 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2022	10,000	5,458,229	5,468,229
Comprehensive income for the year			
Profit for the year	-	669,993	669,993
Total comprehensive income for the year	-	669,993	669,993
Contributions by and distributions to owners			
Dividends: Equity capital	-	(150,000)	(150,000)
Total transactions with owners	-	(150,000)	(150,000)
At 1 October 2023	10,000	5,978,222	5,988,222
Comprehensive income for the year			
Profit for the year	-	161,335	161,335
Total comprehensive income for the year	-	161,335	161,335
Contributions by and distributions to owners			
Dividends: Equity capital	-	(80,000)	(80,000)
At 30 September 2024	10,000	6,059,557	6,069,557

The notes on pages 12 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

1. General information

██████████ Ltd is a private company limited by shares incorporated in Northern Ireland. The registered office is ██████████ ██████████ Northern Ireland, ██████████

The principal activity of the company is that of the ██████████

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ██████████ as at 30 September 2024 and these financial statements may be obtained from Companies House.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Development costs

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line basis for freehold property and on a reducing balance basis for all other assets.

Depreciation is provided on the following basis:

Freehold property	-	4% Straight Line
Plant and machinery	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance
Fixtures and fittings	-	15% Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.17 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.19 Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the company's Balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.19 Financial instruments (continued)

in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024****2. Accounting policies (continued)****2.19 Financial instruments (continued)****Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property, plant and equipment, and note 2 for the useful economic lives for each class of assets.

Warranty provision

Costs of warranty include the cost of labour, material and related overheads necessary to repair a product during the warranty period. The warranty period is 18 months. The company accrues for the estimated cost of the warranty on its products shipped in the provision for warranty, based on the actual historical expenses incurred and are updated periodically. Actual warranty costs are charged against the provision for warranty.

Valuations of WIP and finished goods

Work in progress and finished goods are valued at cost by deducting a specific percentage as estimated by the directors for both labour and related overhead necessary to finish the product. This is based on the company's historical financial performance and sector knowledge of the directors.

4. Turnover

An analysis of turnover by class of business and geographical market is not given as, in the opinion of the directors, this would be seriously prejudicial to the company's interest.

5. Other operating income

	2024 £	2023 £
Net rents receivable	4,800	4,800
Government grants receivable	16,223	12,992
	<u>21,023</u>	<u>17,792</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

6. Operating profit

The operating profit is stated after charging:

	2024 £	2023 £
Research & development charged as an expense	64,682	77,890
Other operating lease rentals	84,508	81,941
Share-based payment	36,375	-
Depreciation of owned assets	213,086	198,488
(Profit)/Loss on disposal of tangible fixed assets	(10,000)	4,604
Government grants	(16,223)	(12,992)
	<u> </u>	<u> </u>

7. Auditors' remuneration

During the year, the company obtained the following services from the company's auditors:

	2024 £	2023 £
Fees payable to the company's auditors for the audit of the company's financial statements	9,075	8,650
	<u> </u>	<u> </u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	3,214,575	3,190,244
Social security costs	268,376	274,225
Cost of defined contribution scheme	209,257	192,161
	<u>3,692,208</u>	<u>3,656,630</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Production	71	104
Admin and Management	43	30
	<u>114</u>	<u>134</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

9. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	172,796	163,466
Company contributions to defined contribution pension schemes	2,985	2,727
	<u>175,781</u>	<u>166,193</u>

During the year retirement benefits were accruing to no directors (2023 - NIL) in respect of defined contribution pension schemes.

10. Interest receivable

	2024 £	2023 £
Other interest receivable	36,644	3,399
	<u>36,644</u>	<u>3,399</u>

11. Interest payable and similar expenses

	2024 £	2023 £
Bank interest payable	-	19,117
Finance leases and hire purchase contracts	7,478	-
	<u>7,478</u>	<u>19,117</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

12. Taxation

	2024 £	2023 £
Corporation tax		
Current tax on profits for the year	-	148,587
Adjustments in respect of previous periods	(208)	-
	<u>(208)</u>	<u>148,587</u>
Total current tax	<u>(208)</u>	<u>148,587</u>
Deferred tax		
Origination and reversal of timing differences	38,244	88,476
Total deferred tax	<u>38,244</u>	<u>88,476</u>
	<u>38,036</u>	<u>237,063</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2023 - higher than) the standard rate of corporation tax in the UK of 25% (2023 - 22%). The differences are explained below:

	2024 £	2023 £
Profit on ordinary activities before tax	<u>199,371</u>	<u>907,056</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 22%)	49,843	199,552
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,934	1,034
Capital allowances for year in excess of depreciation	(133,017)	14,094
Utilisation of tax losses	101,954	-
Adjustments to tax charge in respect of prior periods	(208)	(37,782)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(21,714)	(28,311)
Deferred Tax	38,244	88,476
Total tax charge for the year	<u>38,036</u>	<u>237,063</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

13. Dividends

	2024 £	2023 £
Dividends paid	80,000	150,000
	<u>80,000</u>	<u>150,000</u>

14. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 October 2023	2,056,487	1,308,027	91,268	526,840	3,982,622
Additions	36,386	673,815	-	76,415	786,616
Disposals	-	(26,000)	-	-	(26,000)
At 30 September 2024	<u>2,092,873</u>	<u>1,955,842</u>	<u>91,268</u>	<u>603,255</u>	<u>4,743,238</u>
Depreciation					
At 1 October 2023	894,758	712,069	81,082	380,873	2,068,782
Charge for the year on owned assets	76,052	107,065	2,698	27,271	213,086
Charge for the year on financed assets	-	36,375	-	-	36,375
Disposals	-	(26,000)	-	-	(26,000)
At 30 September 2024	<u>970,810</u>	<u>829,509</u>	<u>83,780</u>	<u>408,144</u>	<u>2,292,243</u>
Net book value					
At 30 September 2024	<u>1,122,063</u>	<u>1,126,333</u>	<u>7,488</u>	<u>195,111</u>	<u>2,450,995</u>
At 30 September 2023	<u>1,161,729</u>	<u>595,958</u>	<u>10,186</u>	<u>145,967</u>	<u>1,913,840</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2024 £	2023 £
Plant and machinery	448,625	-
	<u>448,625</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

15. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 October 2023	20,000
At 30 September 2024	<u>20,000</u>

16. Stocks

	2024 £	2023 £
Raw materials and consumables	872,214	899,551
Work in progress	76,242	118,129
Finished goods and goods for resale	113,655	44,554
	<u>1,062,111</u>	<u>1,062,234</u>

Stock is shown net of impairment of £236,528 (2023: £168,626).

17. Debtors

	2024 £	2023 £
Trade debtors	1,848,392	3,393,957
Prepayments and accrued income	26,554	46,405
	<u>1,874,946</u>	<u>3,440,362</u>

18. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	2,648,017	2,323,011
	<u>2,648,017</u>	<u>2,323,011</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

19. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	613,620	1,177,076
Amounts owed to group undertakings	80,000	150,000
Corporation tax	-	186,900
Other taxation and social security	194,561	346,345
Obligations under finance lease and hire purchase contracts	129,333	-
Other creditors	32,639	35,875
Accruals and deferred income	294,307	475,999
	<u>1,344,460</u>	<u>2,372,195</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

20. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Net obligations under finance leases and hire purchase contracts	204,778	-
	<u>204,778</u>	<u>-</u>

Hire purchase and finance leases are secured by the assets to which they relate.

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2024 £	2023 £
Within one year	129,333	-
Between 1-5 years	204,778	-
	<u>334,111</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

22. Deferred taxation

	2024 £
At beginning of year	(399,030)
Charged to profit or loss	(38,244)
At end of year	(437,274)

The provision for deferred taxation is made up as follows:

	2024 £	2023 £
Accelerated capital allowances	(539,228)	(399,030)
Tax losses carried forward	101,954	-
	(437,274)	(399,030)

23. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
10,000 (2023 - 10,000) Ordinary shares of £1.00 each	10,000	10,000

24. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £209,257 (2023 - £192,161).

25. Commitments under operating leases

At 30 September 2024 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 £	2023 £
Not later than 1 year	28,819	12,000
Later than 1 year and not later than 5 years	127,225	123,000
	156,044	135,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

26. Controlling party

The immediate and ultimate parent undertaking is McGoldrick Holdings Ltd, a company incorporated in Northern Ireland, and its registered office is 66-68 Derry Road, ██████████ ██████████ ██████████

The smallest and largest undertaking of which the company is a member, and for which group financial statements are prepared is McGoldrick Holdings Ltd. Group financial statements for this company are prepared and are available to the public from Companies House.

The ultimate controlling party is Mr Joe & Mrs ██████████ by virtue of their shareholding.

27. Limited liability agreement

On 31 January 2023, the directors on behalf of the company entered into a limited liability agreement with the auditors. This has been disclosed in line with company's legislation.