

Strategic report for the year ended 31 March 2021 (continued)

Health and safety

The company has a comprehensive health and safety policy which meets or exceeds all current requirements by law. The company takes the health and safety of its staff, customers and suppliers very seriously.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the company's healthy liquidity.

Analysis using financial and non-financial key performance indicators

For the year ended 31 March 2021, the results of the company show a revenue of £102,752k (2020: £179,914k). The operating profit was £8,053k (2020: operating loss of £12,355k).

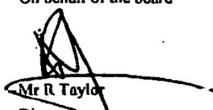
The overall declining physical media market means that the business operates in a challenging environment. The company has seen its gross profit ratio remain at 45%. It has also seen the cost of sales and administration expenses before exceptional items decrease from £179,274k to £94,699k.

KPI	Definition and method of calculation	2021	2020
Discs sold/manufactured (thousands)	The number of discs sold in the year, all formats. Year 2021 only includes 7 months of Austrian sales.	132,212	250,947
Distribution Units touched (thousands) - UK only	The number of units despatched as well as the number of returns. Reduction due to closure of Enfield site.	13,396	69,400
Gross Margin	Turnover minus cost of sales	45%	45%
Operating margin before exceptional items	The ratio of operating profit/(loss) before interest and tax to turnover, expressed as a percentage	7.8%	0.4%
Liquidity	Total current assets less inventory, expressed as a ratio of total current liabilities	6.11	1.52
DSO	Trade debtors balance compared to turnover for the year, expressed in days	6	70

The movement on the DSO is due to the demerger.

Carbon emission disclosure		2021	2020
Electricity (thousands kWh)	Electricity used on the Enfield site in thousands of kilowatt hours	96	1,203
Electricity (thousands kWh)	Electricity used on the Southwater site in thousands of kilowatt hours	648	369
Gas (m³)	Natural gas used on the Enfield site in cubic meters	568	9,664
Gas (m³)	Natural gas used on the Southwater site in cubic meters	59,159	29,903
Greenhouse gas (tons)	Enfield site, 0.459kg of CO2 per kWh of electricity and 2.217 kg of CO2 per m³ of gas	45	574
Greenhouse gas (tons)	Southwater site, 0.459kg of CO2 per kWh of electricity and 2.217 kg of CO2 per m³ of gas	429	236
Grams of CO2 per distribution unit touched	Enfield site		8.3
Grams of CO2 per distribution unit touched	Southwater site	35.4	

On behalf of the board


Mr R Taylor
Director
9 December 2021