

**Group Strategic Report,**  
**Report of the Directors and**  
**Consolidated Financial Statements**  
**for the Year Ended 30 June 2022**  
**for**  
**Cowie Technology Group Limited**

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**for the Year Ended 30 June 2022**

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**Cowie Technology Group Limited**

**Company Information**  
**for the Year Ended 30 June 2022**

**DIRECTORS:**

G R Cowie  
Mrs E Cowie  
Ms J M Morgan  
S Cowan

**SECRETARY:**

Ms J M Morgan

**REGISTERED OFFICE:**

Ridgeway  
Coulby Newham  
Middlesbrough  
TS8 0TQ

**REGISTERED NUMBER:**

00850954 (England and Wales)

**AUDITORS:**

Anderson Barrowcliff LLP  
Statutory Auditor  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

**Group Strategic Report**  
**for the Year Ended 30 June 2022**

The directors present their strategic report of the company and the group for the year ended 30 June 2022.

**REVIEW OF BUSINESS**

The financial position of the group at the year end is considered to be satisfactory and is expected to continue. The group has made pre tax profits of £2,135,231 in 2022 (2021: £1,397,196) and has net assets of £6,091,776 (2021: £5,294,443).

**PRINCIPAL RISKS AND UNCERTAINTIES**

Although the group is dependent on the worldwide scientific industry and would be affected by the loss of a major customer or supplier, the directors believe they have taken adequate steps to mitigate these risks.

**KEY PERFORMANCE INDICATORS**

Key performance indicators are used to support customer service and measure trends in incoming orders and delivery performance.

**PRINCIPAL ACTIVITY**

The principal activities of the group in the year under review were those of the design, manufacture and sale of scientific apparatus and equipment.

No significant change in the nature of these activities occurred during the year.

**ON BEHALF OF THE BOARD:**

G R Cowie - Director

9 January 2023

**Report of the Directors**  
**for the Year Ended 30 June 2022**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2022.

**DIVIDENDS**

An interim dividend of £420 per share was paid on 24 March 2022. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 June 2022 will be £ 1,009,260 .

**RESEARCH AND DEVELOPMENT**

Research and development is an important part of the group's operations. During the year the group spent £131,400 (2021 : £124,176) on research and development.

**FUTURE DEVELOPMENTS**

The directors are in the process of exploring new opportunities in respect of new markets, new products and acquisitions. They anticipate that the present level of activity will be sustainable in the coming year.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2021 to the date of this report.

G R Cowie  
Mrs E Cowie  
Ms J M Morgan

Other changes in directors holding office are as follows:

Ms S Price - resigned 2 August 2021  
S Cowan - appointed 6 October 2021

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Report of the Directors**  
**for the Year Ended 30 June 2022**

**AUDITORS**

The auditors, Anderson Barrowcliff LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

G R Cowie - Director

9 January 2023

**Report of the Independent Auditors to the Members of**  
**Cowie Technology Group Limited**

**Opinion**

We have audited the financial statements of Cowie Technology Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, 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 group's and of the parent company affairs as at 30 June 2022 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

**Opinions 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of**  
**Cowie Technology Group Limited**

**Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

**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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

Based on our understanding of the industry, we have considered applicable laws and regulations which may be fundamental to the group's ability to operate or to avoid a material penalty, and we considered the extent to which non-compliance might have a material effect on the financial statements. We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate manual journal entries to manipulate financial performance, management bias in significant accounting estimates and any significant one-off or unusual transactions.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.



**Report of the Independent Auditors to the Members of**  
**Cowie Technology Group Limited**

**Auditors' responsibilities for the audit of the financial statements (continued)**

Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 a Report of the Auditors 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.

Helen Wilson FCA (Senior Statutory Auditor)  
for and on behalf of Anderson Barrowcliff LLP  
Statutory Auditor  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

23 January 2023

**Consolidated**  
**Income Statement**  
**for the Year Ended 30 June 2022**

	Notes	2022 £	£	2021 £	£
<b>TURNOVER</b>	3		7,192,912		6,051,655
Cost of sales			<u>2,775,466</u>		<u>2,622,354</u>
<b>GROSS PROFIT</b>			<b>4,417,446</b>		<b>3,429,301</b>
Distribution costs		<b>280,295</b>		187,502	
Administrative expenses		<u><b>2,043,215</b></u>		<u>1,940,853</u>	
			<u><b>2,323,510</b></u>		<u>2,128,355</u>
			<b>2,093,936</b>		<b>1,300,946</b>
Other operating income			<u>36,141</u>		<u>84,283</u>
<b>OPERATING PROFIT</b>			<u><b>2,130,077</b></u>		<u>1,385,229</u>
Interest receivable and similar income			<u>5,154</u>		<u>11,988</u>
			<b>2,135,231</b>		<b>1,397,217</b>
Interest payable and similar expenses	5		<u>-</u>		<u>21</u>
<b>PROFIT BEFORE TAXATION</b>	6		<u><b>2,135,231</b></u>		<u>1,397,196</u>
Tax on profit	7		<u>373,877</u>		<u>242,565</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>			<u><b>1,761,354</b></u>		<u>1,154,631</u>
Profit attributable to:					
Owners of the parent			<u><b>1,761,354</b></u>		<u>1,154,631</u>

The notes form part of these financial statements

**Consolidated  
Other Comprehensive Income  
for the Year Ended 30 June 2022**

Notes	2022 £	2021 £
<b>PROFIT FOR THE YEAR</b>	<b>1,761,354</b>	<b>1,154,631</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Exchange rate differences	45,239	(35,579)
Income tax relating to other comprehensive income	-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	<b>45,239</b>	<b>(35,579)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>1,806,593</b>	<b>1,119,052</b>
Total comprehensive income attributable to: Owners of the parent	<u>1,806,593</u>	<u>1,119,052</u>

The notes form part of these financial statements

**Cowie Technology Group Limited (Registered number: 00850954)**

**Consolidated Balance Sheet**

**30 June 2022**

	Notes	2022 £	£	2021 £	£
<b>FIXED ASSETS</b>					
Tangible assets	10		<b>969,701</b>		972,958
Investments	11		<u>-</u>		<u>-</u>
			<b>969,701</b>		972,958
<b>CURRENT ASSETS</b>					
Stocks	12	<b>972,630</b>		803,083	
Debtors	13	<b>855,308</b>		680,293	
Cash at bank and in hand		<u><b>8,064,059</b></u>		<u>7,480,126</u>	
		<b>9,891,997</b>		8,963,502	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u><b>4,742,922</b></u>		<u>4,607,017</u>	
<b>NET CURRENT ASSETS</b>			<u><b>5,149,075</b></u>		<u>4,356,485</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>6,118,776</b>		5,329,443
<b>PROVISIONS FOR LIABILITIES</b>	15		<u><b>27,000</b></u>		<u>35,000</u>
<b>NET ASSETS</b>			<u><b>6,091,776</b></u>		<u>5,294,443</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		<b>2,403</b>		2,403
Retained earnings	17		<u><b>6,089,373</b></u>		<u>5,292,040</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><b>6,091,776</b></u>		<u>5,294,443</u>

The financial statements were approved by the Board of Directors and authorised for issue on 9 January 2023 and were signed on its behalf by:

G R Cowie - Director

The notes form part of these financial statements

**Cowie Technology Group Limited (Registered number: 00850954)**

**Company Balance Sheet**  
**30 June 2022**

	Notes	2022 £	£	2021 £	£
<b>FIXED ASSETS</b>					
Tangible assets	10		969,701		972,830
Investments	11		<u>1,268</u>		<u>1,268</u>
			<b>970,969</b>		<b>974,098</b>
<b>CURRENT ASSETS</b>					
Stocks	12	828,327		663,425	
Debtors	13	670,690		630,885	
Cash at bank and in hand		<u>7,698,210</u>		<u>7,368,732</u>	
		<b>9,197,227</b>		<b>8,663,042</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>4,702,432</u>		<u>4,591,038</u>	
<b>NET CURRENT ASSETS</b>			<b>4,494,795</b>		<b>4,072,004</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>5,465,764</b>		<b>5,046,102</b>
<b>PROVISIONS FOR LIABILITIES</b>	15		<u>27,000</u>		<u>35,000</u>
<b>NET ASSETS</b>			<b>5,438,764</b>		<b>5,011,102</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		2,403		2,403
Retained earnings	17		<u>5,436,361</u>		<u>5,008,699</u>
<b>SHAREHOLDERS' FUNDS</b>			<b>5,438,764</b>		<b>5,011,102</b>
Company's profit for the financial year			<u>1,436,922</u>		<u>1,193,589</u>

The financial statements were approved by the Board of Directors and authorised for issue on 9 January 2023 and were signed on its behalf by:

G R Cowie - Director

The notes form part of these financial statements

**Consolidated Statement of Changes in Equity**  
**for the Year Ended 30 June 2022**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 July 2020</b>	2,403	5,182,248	5,184,651
<b>Changes in equity</b>			
Dividends	-	(1,009,260)	(1,009,260)
Total comprehensive income	-	1,119,052	1,119,052
<b>Balance at 30 June 2021</b>	<u>2,403</u>	<u>5,292,040</u>	<u>5,294,443</u>
<b>Changes in equity</b>			
Dividends	-	(1,009,260)	(1,009,260)
Total comprehensive income	-	1,806,593	1,806,593
<b>Balance at 30 June 2022</b>	<u>2,403</u>	<u>6,089,373</u>	<u>6,091,776</u>

**Company Statement of Changes in Equity**  
**for the Year Ended 30 June 2022**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 July 2020</b>	2,403	4,824,370	4,826,773
<b>Changes in equity</b>			
Dividends	-	(1,009,260)	(1,009,260)
Total comprehensive income	-	1,193,589	1,193,589
<b>Balance at 30 June 2021</b>	<u>2,403</u>	<u>5,008,699</u>	<u>5,011,102</u>
<b>Changes in equity</b>			
Dividends	-	(1,009,260)	(1,009,260)
Total comprehensive income	-	1,436,922	1,436,922
<b>Balance at 30 June 2022</b>	<u>2,403</u>	<u>5,436,361</u>	<u>5,438,764</u>

**Consolidated Cash Flow Statement**  
**for the Year Ended 30 June 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,896,938	1,840,765
Interest paid		-	(21)
Tax paid		(299,896)	(329,009)
Net cash from operating activities		<u>1,597,042</u>	<u>1,511,735</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(89,587)	(15,223)
Sale of tangible fixed assets		1,851	-
Interest received		5,154	11,988
Net cash from investing activities		<u>(82,582)</u>	<u>(3,235)</u>
<b>Cash flows from financing activities</b>			
Amount introduced by directors		790,000	635,000
Amount withdrawn by directors		(756,506)	(360,759)
Equity dividends paid		(1,009,260)	(1,009,260)
Net cash from financing activities		<u>(975,766)</u>	<u>(735,019)</u>
<b>Increase in cash and cash equivalents</b>		<u>538,694</u>	<u>773,481</u>
<b>Cash and cash equivalents at beginning of year</b>	2	7,480,126	6,742,224
Effect of foreign exchange rate changes		45,239	(35,579)
<b>Cash and cash equivalents at end of year</b>	2	<u>8,064,059</u>	<u>7,480,126</u>

The notes form part of these financial statements



**Notes to the Consolidated Cash Flow Statement  
for the Year Ended 30 June 2022**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2022	2021
	£	£
Profit before taxation	2,135,231	1,397,196
Depreciation charges	92,830	120,968
Profit on disposal of fixed assets	(1,829)	-
Finance costs	-	21
Finance income	(5,154)	(11,988)
	<u>2,221,078</u>	<u>1,506,197</u>
(Increase)/decrease in stocks	(169,547)	232,696
Increase in trade and other debtors	(175,015)	(7,807)
Increase in trade and other creditors	<u>20,422</u>	<u>109,679</u>
<b>Cash generated from operations</b>	<u><b>1,896,938</b></u>	<u><b>1,840,765</b></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 June 2022**

	30.6.22	1.7.21
	£	£
Cash and cash equivalents	<u>8,064,059</u>	<u>7,480,126</u>

**Year ended 30 June 2021**

	30.6.21	1.7.20
	£	£
Cash and cash equivalents	<u>7,480,126</u>	<u>6,742,224</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.7.21	Cash flow	At 30.6.22
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>7,480,126</u>	<u>583,933</u>	<u>8,064,059</u>
	<u>7,480,126</u>	<u>583,933</u>	<u>8,064,059</u>
<b>Total</b>	<u><b>7,480,126</b></u>	<u><b>583,933</b></u>	<u><b>8,064,059</b></u>

**Notes to the Consolidated Financial Statements**  
**for the Year Ended 30 June 2022**

**1. STATUTORY INFORMATION**

Cowie Technology Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on the going concern basis under the historic cost convention. The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and its subsidiary company.

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Turnover**

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 4% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 15% - 33.3% on cost
Motor vehicles	- 25% on cost

**Stocks**

Stocks and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

**Grants**

Capital based grants are included in the balance sheet as a deferred credit and released to the income statement in equal instalments over the estimated useful lives of the related assets. Amounts not yet released to the income statement are included in the balance sheet as deferred income. Revenue based grants are credited to the income statement account when receivable.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other administrative expenses.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Judgements 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 amounts 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 of the revision, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	1,704,382	1,500,552
Rest of Europe	1,787,746	1,623,237
Rest of World	<u>3,700,784</u>	<u>2,927,866</u>
	<u><b>7,192,912</b></u>	<u><b>6,051,655</b></u>

All turnover is derived from sale of manufactured goods.

**4. EMPLOYEES AND DIRECTORS**

	2022	2021
	£	£
Wages and salaries	2,791,048	2,531,215
Social security costs	269,228	233,901
Other pension costs	<u>70,399</u>	<u>71,580</u>
	<u><b>3,130,675</b></u>	<u><b>2,836,696</b></u>

The average number of employees during the year was as follows:

	2022	2021
Production	59	56
Administration	<u>13</u>	<u>12</u>
	<u><b>72</b></u>	<u><b>68</b></u>

	2022	2021
	£	£
Directors' remuneration	972,591	818,476
Directors' pension contributions to money purchase schemes	<u>16,719</u>	<u>14,647</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u><b>3</b></u>	<u><b>2</b></u>
------------------------	-----------------	-----------------

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	<u><b>554,801</b></u>	<u><b>459,366</b></u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022	2021
	£	£
Corporation tax interest	<u><b>-</b></u>	<u><b>21</b></u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**6. PROFIT BEFORE TAXATION**

The profit is stated after charging/(crediting):

	2022	2021
	£	£
Other operating leases	56,216	47,458
Depreciation - owned assets	92,830	120,968
Profit on disposal of fixed assets	(1,829)	-
Auditors remuneration	9,000	8,000
Foreign exchange differences	(23,770)	50,803
Government grants released or received	-	(75,075)
Research and development costs	<u>131,400</u>	<u>124,176</u>

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	305,000	211,000
Adjustment in respect of prior years	(6,392)	(960)
Federal income tax	<u>83,269</u>	<u>48,525</u>
Total current tax	381,877	258,565
Deferred taxation	<u>(8,000)</u>	<u>(16,000)</u>
Tax on profit	<u>373,877</u>	<u>242,565</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
Profit before tax	<u>2,135,231</u>	<u>1,397,196</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	405,694	265,467
Effects of:		
Depreciation in excess of capital allowances	1,088	3,145
Adjustments to tax charge in respect of previous periods	(6,392)	(960)
Research and development relief available	(32,456)	(30,672)
Pension creditor movement	(58)	(1,118)
Adjustment in respect of Federal income tax expense	5,806	6,566
Over provision for tax in current year	<u>195</u>	<u>137</u>
Total tax charge	<u>373,877</u>	<u>242,565</u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**7. TAXATION - continued**

**Tax effects relating to effects of other comprehensive income**

	<b>2022</b>	
	<b>Gross</b>	<b>Net</b>
	<b>£</b>	<b>£</b>
Exchange rate differences	<u>45,239</u>	<u>45,239</u>
	<b>2021</b>	
	<b>Gross</b>	<b>Net</b>
	<b>£</b>	<b>£</b>
Exchange rate differences	<u>(35,579)</u>	<u>(35,579)</u>

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

**9. DIVIDENDS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interim	<u>1,009,260</u>	<u>1,009,260</u>

**10. TANGIBLE FIXED ASSETS**

**Group**

	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>
<b>COST</b>			
At 1 July 2021	1,441,235	1,313,352	97,771
Additions	-	70,973	18,614
Disposals	-	(2,128)	-
Exchange differences	-	-	2,840
At 30 June 2022	<u>1,441,235</u>	<u>1,382,197</u>	<u>119,225</u>
<b>DEPRECIATION</b>			
At 1 July 2021	558,300	1,244,221	92,075
Charge for year	2,552	72,871	5,035
Eliminated on disposal	-	(2,128)	-
Exchange differences	-	-	2,840
At 30 June 2022	<u>560,852</u>	<u>1,314,964</u>	<u>99,950</u>
<b>NET BOOK VALUE</b>			
At 30 June 2022	<u>880,383</u>	<u>67,233</u>	<u>19,275</u>
At 30 June 2021	<u>882,935</u>	<u>69,131</u>	<u>5,696</u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**10. TANGIBLE FIXED ASSETS - continued**

**Group**

	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 July 2021	6,000	268,497	3,126,855
Additions	-	-	89,587
Disposals	-	(51,151)	(53,279)
Exchange differences	-	6,691	9,531
At 30 June 2022	<u>6,000</u>	<u>224,037</u>	<u>3,172,694</u>
<b>DEPRECIATION</b>			
At 1 July 2021	5,999	253,302	2,153,897
Charge for year	-	12,372	92,830
Eliminated on disposal	-	(51,129)	(53,257)
Exchange differences	-	6,683	9,523
At 30 June 2022	<u>5,999</u>	<u>221,228</u>	<u>2,202,993</u>
<b>NET BOOK VALUE</b>			
At 30 June 2022	<u>1</u>	<u>2,809</u>	<u>969,701</u>
At 30 June 2021	<u>1</u>	<u>15,195</u>	<u>972,958</u>

Included in Freehold Property is freehold land at a cost of £84,000 (2021 - £84,000) which is not depreciated.

**Company**

	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>
<b>COST</b>			
At 1 July 2021	1,441,235	1,313,352	76,360
Additions	-	70,973	18,614
Disposals	-	(2,128)	-
At 30 June 2022	<u>1,441,235</u>	<u>1,382,197</u>	<u>94,974</u>
<b>DEPRECIATION</b>			
At 1 July 2021	558,300	1,244,221	70,664
Charge for year	2,552	72,871	5,035
Eliminated on disposal	-	(2,128)	-
At 30 June 2022	<u>560,852</u>	<u>1,314,964</u>	<u>75,699</u>
<b>NET BOOK VALUE</b>			
At 30 June 2022	<u>880,383</u>	<u>67,233</u>	<u>19,275</u>
At 30 June 2021	<u>882,935</u>	<u>69,131</u>	<u>5,696</u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**10. TANGIBLE FIXED ASSETS - continued**

**Company**

	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 July 2021	6,000	218,052	3,054,999
Additions	-	-	89,587
Disposals	-	(51,151)	(53,279)
At 30 June 2022	<u>6,000</u>	<u>166,901</u>	<u>3,091,307</u>
<b>DEPRECIATION</b>			
At 1 July 2021	5,999	202,985	2,082,169
Charge for year	-	12,236	92,694
Eliminated on disposal	-	(51,129)	(53,257)
At 30 June 2022	<u>5,999</u>	<u>164,092</u>	<u>2,121,606</u>
<b>NET BOOK VALUE</b>			
At 30 June 2022	<u>1</u>	<u>2,809</u>	<u>969,701</u>
At 30 June 2021	<u>1</u>	<u>15,067</u>	<u>972,830</u>

Included in Freehold Property is freehold land at a cost of £84,000 (2021 - £84,000) which is not depreciated.

**11. FIXED ASSET INVESTMENTS**

**Company**

	<b>Shares in group undertakings £</b>
<b>COST</b>	
At 1 July 2021 and 30 June 2022	<u>1,268</u>
<b>NET BOOK VALUE</b>	
At 30 June 2022	<u>1,268</u>
At 30 June 2021	<u>1,268</u>



**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**11. FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

**Cowie Technology Corporation**

Registered office: 18 Boulden Circle, Ste 28 New Castle, DE 19720

Nature of business: Sale of scientific apparatus and equipment

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2022</b>	2021
		£	£
Aggregate capital and reserves		<b>654,280</b>	284,608
Profit for the year		<b><u>324,432</u></b>	<u>172,309</u>

An amount of £45,239 has been credited to reserves for the year ended 30 June 2022 (2021 : £35,579 debit to reserves) in relation to exchange rate differences.

**12. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	2021	<b>2022</b>	2021
	£	£	£	£
Raw materials	<b>389,059</b>	334,060	<b>389,059</b>	334,060
Work-in-progress	<b>198,632</b>	107,897	<b>198,632</b>	107,897
Finished goods	<b>384,939</b>	361,126	<b>240,636</b>	221,468
	<b><u>972,630</u></b>	<u>803,083</u>	<b><u>828,327</u></b>	<u>663,425</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	2021	<b>2022</b>	2021
	£	£	£	£
Trade debtors	<b>742,920</b>	595,995	<b>570,036</b>	497,228
Amounts owed by group undertakings	-	-	-	60,839
Other debtors	<b>6,486</b>	10,985	<b>2,768</b>	7,702
Prepayments and accrued income	<b>105,902</b>	73,313	<b>97,886</b>	65,116
	<b><u>855,308</u></b>	<u>680,293</u>	<b><u>670,690</u></b>	<u>630,885</u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>240,757</b>	228,680	<b>240,347</b>	228,419
Taxation	<b>195,622</b>	113,633	<b>158,671</b>	103,000
Social security and other taxes	<b>45,044</b>	43,644	<b>45,044</b>	43,644
VAT	<b>2,046</b>	27,213	<b>2,046</b>	27,213
Other creditors	<b>4,650</b>	4,955	<b>4,650</b>	4,955
Directors' current accounts	<b>3,769,196</b>	3,735,702	<b>3,769,196</b>	3,735,702
Accrued expenses	<b>485,607</b>	453,190	<b>482,478</b>	448,105
	<b><u>4,742,922</u></b>	<u>4,607,017</u>	<b><u>4,702,432</u></b>	<u>4,591,038</u>

**15. PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred taxation	<b><u>27,000</u></b>	<u>35,000</u>	<b><u>27,000</u></b>	<u>35,000</u>
<b>Group</b>				
				<b>Deferred tax</b>
				<b>£</b>
Balance at 1 July 2021				<b>35,000</b>
Credit to Income Statement during year				<b><u>(8,000)</u></b>
Balance at 30 June 2022				<b><u>27,000</u></b>
<b>Company</b>				
				<b>Deferred tax</b>
				<b>£</b>
Balance at 1 July 2021				<b>35,000</b>
Credit to Statement of Comprehensive Income during year				<b><u>(8,000)</u></b>
Balance at 30 June 2022				<b><u>27,000</u></b>

**16. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	<b>2022</b>	2021
			<b>£</b>	<b>£</b>
2,403	Ordinary	£1	<b><u>2,403</u></b>	<u>2,403</u>

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 June 2022**

**17. RESERVES**

**Group**

	<b>Retained earnings £</b>
At 1 July 2021	5,292,040
Profit for the year	1,761,354
Dividends	(1,009,260)
Exchange rate differences	45,239
At 30 June 2022	<u>6,089,373</u>

**Company**

	<b>Retained earnings £</b>
At 1 July 2021	5,008,699
Profit for the year	1,436,922
Dividends	(1,009,260)
At 30 June 2022	<u>5,436,361</u>

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

**18. PENSION COMMITMENTS**

The group operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund £70,399 (2021 : £71,580).

**19. CAPITAL COMMITMENTS**

	<b>2022 £</b>	<b>2021 £</b>
Contracted but not provided for in the financial statements	<u>85,225</u>	<u>-</u>

**20. RELATED PARTY DISCLOSURES**

During the year, total dividends of £799,260 (2021: £799,260) were paid to directors.

Remuneration paid to key management personnel amounted to £847,591 (2021: £818,476).

**21. AUTHORISED CAPITAL SPEND**

A further spend of £350,000 (2021 : £350,000) has been authorised but not yet committed with regards to the fit out and equipment costs for the new factory extension.

**22. CONTROL**

Mr G R Cowie, a director, together with his wife, Mrs E Cowie, control the company by virtue of a controlling interest of 77.1% of the issued ordinary share capital.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.