

**R.A. HOMDEN LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**R.A. HOMDEN LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	Gillian M Homden Richard L Homden Jonathon S Homden
<b>Company secretary</b>	A D Delamere
<b>Registered number</b>	01362506
<b>Registered office</b>	Brixton Way Harlescott Industrial Estate Shrewsbury SY1 3LB
<b>Independent auditors</b>	WR Partners Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

---

**R.A. HOMDEN LIMITED**

---

**CONTENTS**

---

	Page
<b>Group strategic report</b>	<b>1</b>
<b>Directors' report</b>	<b>2 - 3</b>
<b>Independent auditors' report</b>	<b>4 - 7</b>
<b>Consolidated statement of comprehensive income</b>	<b>8</b>
<b>Consolidated balance sheet</b>	<b>9 - 10</b>
<b>Company balance sheet</b>	<b>11 - 12</b>
<b>Consolidated statement of changes in equity</b>	<b>13</b>
<b>Company statement of changes in equity</b>	<b>14</b>
<b>Consolidated Statement of cash flows</b>	<b>15 - 16</b>
<b>Consolidated analysis of net debt</b>	<b>17</b>
<b>Notes to the financial statements</b>	<b>18 - 39</b>

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**INTRODUCTION**

The directors present the strategic report for the period ended 30 September 2021.

**BUSINESS REVIEW**

Despite the challenges arising from the unprecedented circumstances driven by the COVID-19 pandemic, the business has demonstrated its operational and financial resilience and ability to manage business risks successfully.

The Group produced a profit before tax of £373k (2020:38k), helped in part, by the restructuring process carried out in the prior year.

The Group continues to maintain a strong balance sheet with net assets and net current assets at period end of £10.9m (2020: £10.7m) and £7.2m (2020: £5.8m) respectively.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Group is in a strong financial position with continued investment being funded out of retained earnings and cash at bank. The principal risks and uncertainties are considered to be those external to the group itself such as changes in the political and economic environments. The control of risk and the management of the Group's ability to adjust to changing external and internal influences is integral to the Group's business. The directors regularly review and agree policies for managing such risks.

**FINANCIAL KEY PERFORMANCE INDICATORS**

The Group uses various key performance indicators to monitor its financial performance and position. Key performance indicators that are relevant to the financial statements include turnover, gross profit margin, operating profit, net current assets and net assets. An analysis of the Group's performance by reference to these key performance indicators is provided in the business review above.

**OTHER KEY PERFORMANCE INDICATORS**

The Group uses a number of targeted non-financial key performance indicators to monitor and measure performance on a weekly and monthly basis.

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

.....  
**Richard L Homden**  
Director

Date: 14 June 2022

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

The directors present their report and the financial statements for the year ended 30 September 2021.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Results and dividends**

The profit for the year, after taxation and minority interests, amounted to £194,621 (2020 - £79,354).

No dividends have been paid or recommended in the current or prior year.

**Directors**

The directors who served during the year were:

Gillian M Homden  
Richard L Homden  
Jonathon S Homden

**Future developments**

The organisation has invested significantly in technology licencing and in repositioning and rebranding its business to realise its vision of becoming a global partner for intelligent lightweight solutions. These are solutions which allow complex parts to be manufactured in a single pressing - saving weight and costs across a range of new and existing industry sectors.

---

**R.A. HOMDEN LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**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 and the Group'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 and the Group's auditors are aware of that information.

**Auditors**

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

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

.....  
**Richard L Homden**  
Director

Date: 14 June 2022

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF R.A. HOMDEN LIMITED**

---

**Opinion**

We have audited the financial statements of R.A. Homden Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2021, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company 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 Group's and of the parent Company's affairs as at 30 September 2021 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 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 Group's or 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.

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF R.A. HOMDEN LIMITED (CONTINUED)**

---

**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.

**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 Group 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 Group 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 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 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 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 Directors' responsibilities statement set out on page 2, 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 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.

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF R.A. HOMDEN LIMITED (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 Group 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:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the Group and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the Company and the Group are complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the Company and Group's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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 Auditors' report.

**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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF R.A. HOMDEN LIMITED (CONTINUED)

---

John Fletcher BA (Hons) FCA (Senior statutory auditor)

for and on behalf of

**WR Partners**

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

15 June 2022

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

		<b>30 September 2021 £</b>	<i>18 months ended 30 September 2020 £</i>
	<b>Note</b>		
Turnover	4	<b>13,749,057</b>	15,685,218
Cost of sales		<b>(11,809,792)</b>	(13,623,532)
Exceptional cost of sales		-	(132,559)
<b>Gross profit</b>		<b>1,939,265</b>	1,929,127
Administrative expenses		<b>(1,596,311)</b>	(2,146,952)
Exceptional administrative expenses		-	(122,960)
Other operating income	5	<b>17,425</b>	347,319
<b>Operating profit</b>	6	<b>360,379</b>	6,534
Interest receivable and similar income	10	<b>15,107</b>	34,658
Interest payable and similar expenses	11	<b>(2,041)</b>	(3,099)
<b>Profit before taxation</b>		<b>373,445</b>	38,093
Tax on profit	12	<b>(161,533)</b>	(81,128)
<b>Profit/(loss) for the financial year</b>		<b>211,912</b>	(43,035)
<b>Profit/(loss) for the year attributable to:</b>			
Non-controlling interests		<b>17,291</b>	36,319
Owners of the parent Company		<b>194,621</b>	(79,354)
		<b>211,912</b>	(43,035)

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 18 to 39 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	16	113,272	115,772
Tangible assets	17	4,879,909	5,101,283
		<u>4,993,181</u>	<u>5,217,055</u>
<b>Current assets</b>			
Stocks	19	1,148,844	674,050
Debtors: amounts falling due within one year	20	3,626,732	2,646,157
Cash at bank and in hand	21	4,659,748	4,298,413
		<u>9,435,324</u>	<u>7,618,620</u>
Creditors: amounts falling due within one year	22	(2,228,289)	(1,818,164)
<b>Net current assets</b>		<u>7,207,035</u>	<u>5,800,456</u>
<b>Total assets less current liabilities</b>		<u>12,200,216</u>	<u>11,017,511</u>
Creditors: amounts falling due after more than one year	23	(899,994)	-
<b>Provisions for liabilities</b>			
Deferred taxation	25	(416,275)	(332,976)
		<u>(416,275)</u>	<u>(332,976)</u>
<b>Net assets</b>		<u>10,883,947</u>	<u>10,684,535</u>
<b>Capital and reserves</b>			
Called up share capital	26	2,667,128	2,667,128
Profit and loss account	27	8,018,800	7,836,679
<b>Equity attributable to owners of the parent Company</b>		<u>10,685,928</u>	<u>10,503,807</u>
Non-controlling interests		198,019	180,728
		<u>10,883,947</u>	<u>10,684,535</u>

---

**R.A. HOMDEN LIMITED**  
**REGISTERED NUMBER: 01362506**

---

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2021**

---

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 June 2022.

.....  
**Richard L Homden**  
Director

The notes on pages 18 to 39 form part of these financial statements.

**R.A. HOMDEN LIMITED**  
**REGISTERED NUMBER: 01362506**

**COMPANY BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	17	3,070,718	3,242,166
Investments	18	202,404	202,404
		<u>3,273,122</u>	<u>3,444,570</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	20	844,542	889,242
Debtors: amounts falling due within one year	20	534,248	588,457
Cash at bank and in hand	21	3,301,063	3,217,744
		<u>4,679,853</u>	<u>4,695,443</u>
Creditors: amounts falling due within one year	22	(9,336)	(11,504)
<b>Net current assets</b>		<u>4,670,517</u>	<u>4,683,939</u>
<b>Total assets less current liabilities</b>		<u>7,943,639</u>	<u>8,128,509</u>
<b>Provisions for liabilities</b>			
Deferred taxation	25	(48,198)	(56,600)
		<u>(48,198)</u>	<u>(56,600)</u>
<b>Net assets</b>		<u><u>7,895,441</u></u>	<u><u>8,071,909</u></u>
<b>Capital and reserves</b>			
Called up share capital	26	2,667,128	2,667,128
Profit and loss account brought forward		5,404,781	5,600,982
Loss for the year		(176,468)	(196,201)
Profit and loss account carried forward		5,228,313	5,404,781
		<u><u>7,895,441</u></u>	<u><u>8,071,909</u></u>

---

**R.A. HOMDEN LIMITED**  
**REGISTERED NUMBER: 01362506**

---

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2021**

---

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 June 2022.

.....  
**Richard L Homden**  
Director

The notes on pages 18 to 39 form part of these financial statements.

R.A. HOMDEN LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2019	2,667,128	7,916,033	10,583,161
<b>Comprehensive income for the period</b>			
Loss for the period	-	(79,354)	(79,354)
At 1 October 2020	2,667,128	7,836,679	10,503,807
<b>Comprehensive income for the year</b>			
Profit for the year	-	194,621	194,621
Dividends: Equity capital	-	(12,500)	(12,500)
<b>At 30 September 2021</b>	<u>2,667,128</u>	<u>8,018,800</u>	<u>10,685,928</u>

The notes on pages 18 to 39 form part of these financial statements.

---

R.A. HOMDEN LIMITED

---

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2019	2,667,128	5,600,982	8,268,110
<b>Comprehensive income for the period</b>			
Loss for the period	-	(196,201)	(196,201)
At 1 October 2020	2,667,128	5,404,781	8,071,909
<b>Comprehensive income for the period</b>			
Loss for the year	-	(176,468)	(176,468)
<b>At 30 September 2021</b>	<u>2,667,128</u>	<u>5,228,313</u>	<u>7,895,441</u>

The notes on pages 18 to 39 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	211,912	(43,035)
<b>Adjustments for:</b>		
Amortisation of intangible assets	2,500	2,500
Depreciation of tangible assets	518,526	771,250
Loss on disposal of tangible assets	6,968	14,456
Government grants	(11,425)	(347,319)
Interest paid	2,041	3,099
Interest received	(15,107)	(34,658)
Taxation charge	161,533	81,128
(Increase)/decrease in stocks	(474,794)	56,650
(Increase)/decrease in debtors	(980,575)	1,388,065
Decrease in amounts owed by joint ventures	-	2,000
Increase/(decrease) in creditors	269,014	(708,235)
Corporation tax (paid)/received	(37,129)	19,710
<b>Net cash generated from operating activities</b>	<b>(346,536)</b>	<b>1,205,611</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	-	(93,135)
Purchase of tangible fixed assets	(319,714)	(369,445)
Sale of tangible fixed assets	15,594	14,994
Government grants received	11,425	347,319
Interest received	15,107	34,658
<b>Net cash from investing activities</b>	<b>(277,588)</b>	<b>(65,609)</b>
<b>Cash flows from financing activities</b>		
New secured loans	1,000,000	-
Dividends paid	(12,500)	-
Interest paid	(2,041)	(3,099)
<b>Net cash used in financing activities</b>	<b>985,459</b>	<b>(3,099)</b>

R.A. HOMDEN LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 £	2020 £
<b>Net increase in cash and cash equivalents</b>	<b>361,335</b>	<b>1,136,903</b>
Cash and cash equivalents at beginning of year	<b>4,298,413</b>	<b>3,161,510</b>
<b>Cash and cash equivalents at the end of year</b>	<b><u>4,659,748</u></b>	<b><u>4,298,413</u></b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<b>4,659,748</b>	<b>4,298,413</b>
	<b><u>4,659,748</u></b>	<b><u>4,298,413</u></b>

The notes on pages 18 to 39 form part of these financial statements.

---

R.A. HOMDEN LIMITED

---

CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

	At 1 October 2020 £	Cash flows £	At 30 September 2021 £
Cash at bank and in hand	4,298,413	361,335	4,659,748
Debt due after 1 year	-	(899,994)	(899,994)
Debt due within 1 year	-	(100,006)	(100,006)
	<u>4,298,413</u>	<u>(638,665)</u>	<u>3,659,748</u>

The notes on pages 18 to 39 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**1. GENERAL INFORMATION**

R A Homden Limited ('the Company') and its subsidiaries (together "the Group") manufacture and produce precision metal pressings and assemblies predominantly for the automotive and domestic appliance markets.

The company is a private company limited by shares. It is incorporated and domiciled in England. The address of its registered office and principal place of business is Brixton Way, Harlescott Industrial Estate, Shrewsbury, Shropshire, SY1 3LB.

**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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 BASIS OF CONSOLIDATION**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2014.

**2.3 GOING CONCERN**

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

The Directors have also assessed the potential impact on the future operations of the Group with regard to the Covid-19 outbreak. The Group is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group 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 Group 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.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

2. ACCOUNTING POLICIES (CONTINUED)

2.5 INTANGIBLE ASSETS

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated statement of comprehensive income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation will be charged so as to reduce the book value of Goodwill over a useful economic life of 10 years. Other Intangible assets have no amortisation charged.

2.6 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, using the straight-line method and reducing balance methods.

The estimated useful lives range as follows:

Freehold property	- 2% straight line
Plant and machinery	- 7% - 25% reducing balance
Motor vehicles	- 25% straight line and 33% 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.

2.7 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.8 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.

**2.9 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.

**2.10 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.11 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.

**2.12 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 Consolidated statement of comprehensive income in the same period as the related expenditure.

**2.13 FINANCIAL INSTRUMENTS**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.13 FINANCIAL INSTRUMENTS (continued)**

or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**2.14 FOREIGN CURRENCY TRANSLATION**

**Functional and presentation currency**

The Group's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.15 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.

**2.16 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 2021**

---

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.17 OPERATING LEASES: THE GROUP 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.

**2.18 PENSIONS**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in the Consolidated statement of comprehensive income 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 Group in independently administered funds.

**2.19 INTEREST INCOME**

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

**2.20 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.21 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.22 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

**2.23 EXCEPTIONAL ITEMS**

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

**3.**

**JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the relates actual results. In the opinion of the directors there are no estimates nor assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4. TURNOVER

The whole of the turnover is attributable to the manufacture and production of precision metal pressing and assemblies predominantly for the automotive and domestic appliance industries.

Analysis of turnover by country of destination:

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
United Kingdom	11,640,325	12,433,229
Rest of Europe	2,108,732	3,211,808
Rest of the world	-	40,181
	<u>13,749,057</u>	<u>15,685,218</u>

5. OTHER OPERATING INCOME

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
Net rents receivable	6,000	-
Government grants receivable	11,425	347,319
	<u>17,425</u>	<u>347,319</u>

6. OPERATING PROFIT

The operating profit is stated after charging:

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
Exchange differences	3,595	(30,871)
Other operating lease rentals	67,471	96,342
Loss on disposal of fixed assets	<u>6,968</u>	<u>14,456</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**7. AUDITORS' REMUNERATION**

	<b>12 months ended 30 September 2021 £</b>	<i>18 months ended 30 September 2020 £</i>
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	<u><b>10,650</b></u>	<u><i>10,390</i></u>

**8. EMPLOYEES**

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

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Wages and salaries	<b>3,471,508</b>	<i>4,226,191</i>	-	-
Social security costs	<b>254,424</b>	<i>361,501</i>	-	-
Cost of defined contribution scheme	<b>41,393</b>	<i>24,858</i>	-	-
	<u><b>3,767,325</b></u>	<u><i>4,612,550</i></u>	<u>-</u>	<u>-</u>

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

	<b>12 months ended 30 September 2021 No.</b>	<i>18 months ended 30 September 2020 No.</i>
Production	<b>85</b>	<i>88</i>
Administration	<b>17</b>	<i>18</i>
Directors	<b>4</b>	<i>4</i>
	<u><b>106</b></u>	<u><i>110</i></u>

Total remuneration paid to key management personnel (including Directors) of group companies totalled £263,948 (2020: £409,192).

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

9. DIRECTORS' REMUNERATION

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
Directors' emoluments	100,717	116,870
Group contributions to defined contribution pension schemes	1,607	1,897
	<u>102,324</u>	<u>118,767</u>

During the year retirement benefits were accruing to 2 directors (2020 - 1) in respect of defined contribution pension schemes.

10. INTEREST RECEIVABLE

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
Other interest receivable	15,107	34,658
	<u>15,107</u>	<u>34,658</u>

11. INTEREST PAYABLE AND SIMILAR EXPENSES

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
Bank interest payable	157	-
Other loan interest payable	1,884	3,099
	<u>2,041</u>	<u>3,099</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

## 12. TAXATION

	12 months ended 30 September 2021 £	18 months ended 30 September 2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	78,234	38,068
Adjustments in respect of previous periods	-	(19,859)
	<u>78,234</u>	<u>18,209</u>
<b>Total current tax</b>	<u>78,234</u>	<u>18,209</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	83,299	62,919
<b>Total deferred tax</b>	<u>83,299</u>	<u>62,919</u>
<b>Taxation on profit on ordinary activities</b>	<u>161,533</u>	<u>81,128</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**12. TAXATION (CONTINUED)****FACTORS AFFECTING TAX CHARGE FOR THE YEAR/PERIOD**

The tax assessed for the year/period is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	<b>12 months ended 30 September 2021 £</b>	<i>18 months ended 30 September 2020 £</i>
Profit on ordinary activities before tax	<b><u>373,445</u></b>	<u>38,093</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	<b>70,955</b>	7,238
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>1,141</b>	741
Capital allowances for year/period in excess of depreciation	<b>(11,970)</b>	47,622
Utilisation of tax losses	-	(18,008)
Adjustments to tax charge in respect of prior periods	-	(19,859)
Short term timing difference leading to an increase (decrease) in taxation	-	475
Origination and reversal of timing differences	<b>99,907</b>	62,919
Other differences leading to an increase (decrease) in the tax charge	<b>1,500</b>	-
<b>Total tax charge for the year/period</b>	<b><u>161,533</u></b>	<u>81,128</u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

From 1 April 2023, the main rate of Corporation Tax is due to increase from 19% to 25% for companies with profits exceeding £250,000.

**13. DIVIDENDS**

	<b>2021 £</b>	<i>2020 £</i>
Dividends paid	<b>12,500</b>	-
	<b><u>12,500</u></b>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**14. EXCEPTIONAL ITEMS**

	<b>12 months ended 30 September 2021 £</b>	<i>18 months ended 30 September 2020 £</i>
Redundancy costs	-	132,559
Onerous contract and divestiture costs	-	122,960
	<u>-</u>	<u>255,519</u>

**15. PARENT COMPANY PROFIT FOR THE YEAR**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the parent Company for the year/period was £176,468 (2020 - loss £196,201).

**16. INTANGIBLE ASSETS****Group and Company**

	<b>Licence Option £</b>	<b>Other Intangible Assets £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 October 2020	50,000	43,135	25,137	118,272
At 30 September 2021	50,000	43,135	25,137	118,272
<b>Amortisation</b>				
At 1 October 2020	-	-	2,500	2,500
Charge for the year on owned assets	-	-	2,500	2,500
At 30 September 2021	-	-	5,000	5,000
<b>Net book value</b>				
At 30 September 2021	50,000	43,135	20,137	113,272
<b>At 30 September 2020</b>	50,000	43,135	22,637	115,772

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**16. INTANGIBLE ASSETS (CONTINUED)****17. TANGIBLE FIXED ASSETS****Group**

	<b>Freehold property</b>	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>					
At 1 October 2020	3,218,481	8,805,050	526,290	155,510	12,705,331
Additions	-	36,025	232,149	51,540	319,714
Disposals	-	(179,580)	(91,078)	-	(270,658)
At 30 September 2021	3,218,481	8,661,495	667,361	207,050	12,754,387
<b>Depreciation</b>					
At 1 October 2020	1,145,185	6,132,467	240,030	86,366	7,604,048
Charge for the year on owned assets	54,561	316,361	119,153	28,451	518,526
Disposals	-	(172,612)	(75,484)	-	(248,096)
At 30 September 2021	1,199,746	6,276,216	283,699	114,817	7,874,478
<b>Net book value</b>					
At 30 September 2021	<u>2,018,735</u>	<u>2,385,279</u>	<u>383,662</u>	<u>92,233</u>	<u>4,879,909</u>
<b>At 30 September 2020</b>	<u>2,073,296</u>	<u>2,672,583</u>	<u>286,260</u>	<u>69,144</u>	<u>5,101,283</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**17. TANGIBLE FIXED ASSETS (CONTINUED)****Company**

	Freehold property £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 October 2020	3,218,481	1,926,000	5,144,481
At 30 September 2021	3,218,481	1,926,000	5,144,481
<b>Depreciation</b>			
At 1 October 2020	1,145,185	757,130	1,902,315
Charge for the year on owned assets	54,561	116,887	171,448
At 30 September 2021	1,199,746	874,017	2,073,763
<b>Net book value</b>			
At 30 September 2021	2,018,735	1,051,983	3,070,718
<b>At 30 September 2020</b>	2,073,296	1,168,870	3,242,166

**18. FIXED ASSET INVESTMENTS****Group**

The Group also has a 50% share in a joint venture - In-Comm Training Academy Shropshire Limited - the profit (2020: profit) attributable to the company in the year from this joint venture is £1,410 (2020:

£4,483).

R.A. HOMDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Company

Investments in  
subsidiary  
companies  
£

Cost or valuation

At 1 October 2020

202,404

At 30 September 2021

202,404

The following were subsidiary undertakings of the Company:

Name

Holding

Salop Design & Engineering Limited

100  
%

-

SDE Pressings Limited

100  
%

-

Salop Fabrications Limited

100  
%

-

Salop Powder Coating Limited

100  
%

-

Salop Haulage Limited

75  
%

-

19. STOCKS

	Group 2021 £	Group 2020 £
Raw materials and consumables	675,200	306,238
Work in progress (goods to be sold)	257,117	217,079
Finished goods and goods for resale	216,527	150,733
	<b>1,148,844</b>	<b>674,050</b>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

20. DEBTORS

Group 2021	Group 2020	Company 2021	Company 2020
---------------	---------------	-----------------	-----------------

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**20. DEBTORS (CONTINUED)**

	£	£	£	£
<b>Amounts falling due after one year</b>				
Amounts owed by group undertakings	-	-	<b>844,542</b>	889,242
	<u>-</u>	<u>-</u>	<u><b>844,542</b></u>	<u>889,242</u>
	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
<b>Amounts falling due within one year</b>				
Trade debtors	<b>2,865,328</b>	1,779,481	<b>14,400</b>	21,600
Amounts owed by group undertakings	-	-	-	6,000
Amounts owed by joint ventures and associated undertakings	<b>120,080</b>	120,080	-	-
Other debtors	<b>524,187</b>	605,115	<b>519,848</b>	560,857
Prepayments and accrued income	<b>117,137</b>	141,481	-	-
	<u><b>3,626,732</b></u>	<u>2,646,157</u>	<u><b>534,248</b></u>	<u>588,457</u>

**21. CASH AND CASH EQUIVALENTS**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Cash at bank and in hand	<b>4,659,748</b>	4,298,413	<b>3,301,063</b>	3,217,744
	<u><b>4,659,748</b></u>	<u>4,298,413</u>	<u><b>3,301,063</b></u>	<u>3,217,744</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

22. CREDITORS: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	100,006	-	-	-
Trade creditors	1,533,321	1,102,792	1,224	-
Corporation tax	79,173	38,068	939	-
Other taxation and social security	152,130	331,470	669	-
Other creditors	223,323	178,367	-	-
Accruals and deferred income	140,336	167,467	6,504	11,504
	<u>2,228,289</u>	<u>1,818,164</u>	<u>9,336</u>	<u>11,504</u>

23. CREDITORS: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £
Bank loans	899,994	-
	<u>899,994</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

24. LOANS

	Group 2021 £	Group 2020 £
<b>Amounts falling due within one year</b>		
Bank loans	100,006	-
<b>Amounts falling due 1-2 years</b>		
Bank loans	200,012	-
<b>Amounts falling due 2-5 years</b>		
Bank loans	699,982	-
	<u>1,000,000</u>	<u>-</u>

Included within bank loans is a Coronavirus Business Interruption Loan, provided by Barclay's Bank Plc. Interest is charged at 2.95% plus the base rate and the balance is expected to be repaid in full by October 2026. The loan is secured by a fixed and floating charge over the assets of the Company.

25. DEFERRED TAXATION

Group

	2021 £
At beginning of year	(332,976)
Charged to the profit or loss	(83,299)
<b>At end of year</b>	<u><u>(416,275)</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

25. DEFERRED TAXATION (CONTINUED)

Company

	2021 £
At beginning of year	(56,600)
Charged to the profit or loss	8,402
<b>At end of year</b>	<b>(48,198)</b>

The provision for deferred taxation is made up as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	(416,275)	(332,976)	(48,198)	(56,600)
	<u>(416,275)</u>	<u>(332,976)</u>	<u>(48,198)</u>	<u>(56,600)</u>

26. SHARE CAPITAL

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
128 (2020 - 128) Ordinary shares of £1.00 each	128	128
2,667 (2020 - 2,667) Redeemable shares of £1,000.00 each	2,667,000	2,667,000
	<u>2,667,128</u>	<u>2,667,128</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**26. SHARE CAPITAL (CONTINUED)**

The shares have the following rights and characteristics:

**1. Redeemable shares of £1,000 each:**

(a) At any General Meeting of the Company, the majority of the holders of the above shares can propose a resolution instructing the Company to pay a dividend of up to £80 per Redeemable share. The total dividend cannot exceed one third of the group's post tax profits.

(b) The above shares carry one vote.

(c) On the winding up of the Company, surplus assets will be applied firstly in repaying the above shares at par. No further distribution to the holders of the Redeemable shares per annum.

Due to the above characteristics, these shares have been classified as equity shares.

**2. Ordinary shares of £1 each:**

(a) The shares carry 100 votes each, except for when voting on the resolution detailed at 1(a) above, when they carry one vote.

(b) Except as detailed in 1(a) and 1(d) above, all company distribution are solely payable to the holders of Ordinary shares.

Due to the rights and characteristics, these shares have been disclosed as equity shares.

**27. RESERVES**

**Profit and loss account**

**Group**

This reserve represents the value of the cumulative retained profits and losses of the Group since incorporation less distribution made to Shareholders.

**Company**

This reserve represents the value of the cumulative retained profits and losses of the Company since incorporation less distribution made to Shareholders.

**28. CONTINGENT LIABILITIES**

There is a cross guarantee and debenture between Salop Design & Engineering Limited and Salop Haulage Limited.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**29. PENSION COMMITMENTS**

Salop Design and Engineering Limited operates a defined contributions pension scheme for the benefits of directors and senior employees. 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 Salop Design and Engineering Limited to the fund and amounted to £41,393 (2020: £24,858).

**30. COMMITMENTS UNDER OPERATING LEASES**

At 30 September 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
Not later than 1 year	<b>13,101</b>	<i>42,400</i>
Later than 1 year and not later than 5 years	<b>8,590</b>	<i>21,691</i>
	<b><u>21,691</u></b>	<i><u>64,091</u></i>

**31. TRANSACTIONS WITH DIRECTORS**

During the year the Group has operated loan accounts with the Directors. At the end of the year amounts outstanding were £407,308 (2020: £424,152) and are included within other debtors. Interest has been charged on the balances of £8,455 (2020: £14,023).

**32. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption contained in FRS102 and has therefore not disclosed transactions or balances with entities which form part of the group. The group consolidated financial statements can be obtained from Companies House.

Included within turnover during the year were amounts to In-Comm Training Academy Shropshire Limited, a joint venture entity totalling £10,000 (2020: £1,131).

Included in debtors due within 1 year are balances due from In-Comm Training Academy Shropshire Limited, a joint venture entity. This amounted to £1,500 (2020: £124,080) at the year end.

During the year expenditure of £28,730 (2020: £21,607) was incurred from In-Comm Training Academy Shropshire Limited.

Included in creditors within 1 year are balances due to In-Comm Training Academy Shropshire Limited amounting to £18,446 (2020: £12,537).

**33. CONTROLLING PARTY**

The Company is under control of Mrs G M Homden by virtue of her owning more than 50% of the voting rights of the 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.