COMPANY NO: 00885335

Haswell Engineers Limited

Annual Report

Year ended 30 September 2022

Contents

Company Information

Directors	G C Newman C J Buckenham (resigned 31 August 2022) P V Curtis
Secretary	G C Newman
Registered office	Light & Power House Shire Hill Saffron Walden CB11 3AQ
Registered number	00885335
Auditors	RSM UK Audit LLP 2nd Floor, North Wing East City House, Hills Road Cambridge CB2 1RE
Bankers	Barclays Bank Plc Abacus House Castle Park, Castle Hill Cambridge CB3 0AN

Report of the Directors

The directors present their report and the audited financial statements for the year ended 30 September 2022.

Principal activities

The principal activities of the Company are focussed on provision of supply and goods and services to LPA Industries Ltd, its sister business within the LPA Group Plc (the "Group") through the manufacture of light engineering sheet metal components; and an after-market service offering which provides turnkey solutions for minor modifications and repairs and which is presently focussed on the rail sector.

Directors and their interests

The directors who served during the year are shown on page 1. The Company has made qualifying third-party indemnity provisions for the benefit of its directors who are also directors of LPA Group Plc, which remain in force at the date of this report.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial period. 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).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Report of the Directors (continued)

Auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Paul Curtis

P V Curtis
Director

10/02/23

Independent Auditor's Report to the Members of Haswell Engineers Limited

Opinion

We have audited the financial statements of Haswell Engineers Limited (the 'company') for the year ended 30 September 2022 which comprise the profit and loss account, balance sheet, statement of changes in equity and 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Independent Auditor's Report to the Members of Haswell Engineers Limited (continued)

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.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

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

Independent Auditor's Report to the Members of Haswell Engineers Limited (continued)

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating computations received from external tax advisors.

Independent Auditor's Report to the Members of Haswell Engineers Limited (continued)

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these laws and regulations.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to:

- Testing manual journal entries and other adjustments;
- Evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business; and
- Cut-off testing and other substantive testing procedures to validate revenue recognition throughout the year.

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

Neil Stephenson

Neil Stephenson (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
2nd Floor, North Wing East
City House, Hills Road
Cambridge
CB2 1RE

10/02/23

Profit and Loss Account
for the year ended 30 September 2022

	Note	2022	2021
Continuing activities		**£**	**£**
Turnover		545,516	494,503
Cost of sales		(376,911)	(432,760)
Gross profit		168,605	61,743
Sales and distribution costs		(1,266)	(1,234)
Administrative expenses		(69,984)	(75,725)
Other operating income		-	32,466
Operating profit	5	97,355	17,250
Interest payable	6	(4,444)	(8,063)
Profit on ordinary activities before taxation		92,911	9,187
Tax on profit on ordinary activities	7	(17,245)	80,065
Profit for the financial year		75,666	89,252
Attributable to:			
- Equity holders of the parent		75,666	89,252

The notes on pages 11 to 20 form an integral part of these financial statements.

Balance Sheet
At 30 September 2022

Company No: 00885335

	Note	2022	2021
		£	£
Fixed assets			
Tangible assets	8	336,453	392,243
Current assets			
Debtors	9	198,400	214,188
Creditors: Amounts falling due within one year	10	(894,341)	(964,032)
Net current liabilities		(695,941)	(749,844)
Total assets less current liabilities		(359,488)	(357,601)
Creditors: Amounts falling due after more than one year	11	(13,178)	(90,731)
Net liabilities		(372,666)	(448,332)
Capital and reserves			
Called up share capital	14	320,000	320,000
Profit and loss reserve	15	(692,666)	(768,332)
Equity shareholders' funds		(372,666)	(448,332)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 10/02/23 and are signed on its behalf by:

Paul Curtis

P V Curtis
Director

Statement of Changes in Equity
For the year ended 30 September 2022

	Called up share capital	Profit and loss reserve	Total
	£	£	£
As at 1 October 2021	320,000	(768,332)	(448,332)
Total comprehensive profit for the financial year	-	75,666	75,666
As at 30 September 2022	320,000	(692,666)	(372,666)

For the year ended 30 September 2021

	Called up share capital	Profit and loss reserve	Total
	£	£	£
As at 1 October 2020	320,000	(857,584)	(537,584)
Total comprehensive income for the financial year	-	89,252	89,252
As at 30 September 2021	320,000	(768,332)	(448,332)

The notes on pages 11 to 20 form an integral part of these financial statements.

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Notes to the Financial Statements
For the year ended 30 September 2022

1. Company Information

Haswell Engineers Limited (the "Company") is a private limited company limited by shares and is registered and incorporated in England. The address of the Company's principal place of business is Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK.

The Company's business provides manufacturing and services to LPA Industries Ltd, its services provided on a cost plus intergroup basis which comprise:

- an after-market repairs offering which provides modifications and upgrades to existing inter car connectors trading as Transport+, activities which are presently focussed on the rail sector; and
- the manufacture of light engineering sheet metal components (with a focus on high quality, service and short production runs) for predominantly rail and general industrial market end users.

2. Basis of Preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS102"), and with the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared on the historical cost basis and are presented in Sterling (£) which is also the functional currency of the Company.

Going concern

The Company is a subsidiary of LPA Group plc which manages its banking arrangements on a pooled basis across the Group. Given this, the cross-party guarantee in respect of borrowings and the continued support of the wider group, the assessment of the going concern assumption is undertaken at the Group as well as Company level.

Whilst current economic conditions create uncertainty, as: (i) the directors have received a letter of continuing financial support from LPA Group plc; (ii) LPA Group plc has previously demonstrated its willingness to invest in the Company; (iii) opportunities remain within the Company's market place; (iv) the Company has in place adequate working capital facilities for its forecast needs; and (v) the Company has proven adaptable in past periods of adversity, the directors believe that the Company is well placed to manage its business risks successfully.

Notes to the Financial Statements
For the year ended 30 September 2022

2. Basis of preparation (continued)

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, such enquiries including those of LPA Industries Ltd through which extremal opportunities are primarily serviced. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

3. Accounting Policies

A. Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets by equal annual instalments over their estimated useful economic lives. The rates generally applicable, charged on a straight-line basis, are:

Plant and machinery	10% - 20%
Fixtures and fittings	20%
Office equipment	33%

A profit or loss on disposal is recognised in the profit and loss account at the surplus or deficit of disposal proceeds over net carrying amount of the asset at the time of disposal.

B. Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Notes to the Financial Statements
For the year ended 30 September 2022

3. Accounting policies (continued)

C. Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease or hire purchase obligation. Lease payments are apportioned between finance charges and reduction of the lease or hire purchase obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

D. Financial Instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Recognition and measurement of financial instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

Trade, group and other debtors
Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost, using the effective interest method. The effective interest rate is the market rate used to determine initial measurement adjusted to amortise directly attributable transaction costs. A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract.

Notes to the Financial Statements
For the year ended 30 September 2022

3. Accounting policies (continued)

D. Financial Instruments (continued)

Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Trade creditors, group and other creditors
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost, being transaction price less any amounts settled and the cumulative amortisation (using the effective interest method) of any difference between the amount at initial recognition and the maturity amount. The effective interest rate is the rate that discounts estimated future cash payments to the carrying amount of the financial liability.

E. Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

The tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

Notes to the Financial Statements
For the year ended 30 September 2022

3. Accounting policies (continued)

F. Employee benefits

A liability for short-term compensated absences, such as holiday, is recognised at the amount the company may be required to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

G. Turnover

Turnover is the revenue arising from the value of goods and services supplied by the Company excluding value added tax, trade and volume discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer of the goods, generally upon despatch, and reliable measurement is possible. Revenue is not recognised where recovery of the consideration is not probable or there are significant uncertainties regarding associated costs, or the possible return of goods.

Revenue from the provision of services is recognised when the Company has performed its obligations and in exchange obtained the right to consideration.

H. Government grants

Income from government grants is presented within other operating income. Government grants relating to the Job Retention Scheme are recognised as income over the periods when the related costs are incurred.

4. Employees and Directors

Average monthly number of employees, excluding directors:	2022	2021
	No	No
Production	6	9

Remuneration in respect of directors was nil (2021: nil) as borne by other group companies.

Notes to the Financial Statements
For the year ended 30 September 2022

5. Operating Profit

The operating profit is stated after charging / (crediting):

	2022	2021
	£	£
Other operating income (grants)	-	(32,466)

6. Interest Payable

	2022	2021
	£	£
Interest payable - hire purchase contracts	4,444	8,063

7. Tax on Ordinary Activities

	2022	2021
	£	£
UK corporation tax	-	-
Prior years adjustment		18,265
Current taxation	-	18,265
Deferred taxation		
Effect of change in tax rate on opening balance	-	(5,045)
Prior year adjustments	-	(28,263)
Net origination and reversal of timing differences	17,245	(65,022)
Deferred taxation	17,245	(98,330)
Tax on Profit on Ordinary Activities	**17,245**	**(80,065)**

Notes to the Financial Statements
For the year ended 30 September 2022

8. Tangible Fixed Assets

	Plant and machinery	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 October 2021	941,268	6,828	3,262	951,358
Additions	-	-	-	-
Disposals	(1,046)	-	-	(1,046)
At 30 September 2022	940,222	6,828	3,262	950,312
Depreciation				
At 1 October 2021	551,018	4,835	3,262	559,115
Charged in year	54,844	877	-	55,721
Disposals	(977)	-	-	(977)
At 30 September 2022	604,885	5,712	3,262	613,859
Net book value				
At 30 September 2021	390,250	1,993	-	392,243
At 30 September 2022	335,337	1,116	-	336,453

The net book value of the tangible fixed assets includes £233,729 (2021: £369,373) in respect of Plant and Machinery assets held under hire purchase contracts. Depreciation charged in the period on those assets amounted to £35,848 (2021: £50,105).

9. Debtors

	2022	2021
	£	£
Amounts due from group undertakings	130,607	129,150
Deferred Tax (note 13)	67,793	85,038
	198,400	**214,188**

Notes to the Financial Statements

For the year ended 30 September 2022

10. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Bank overdraft	719,945	783,668
Amounts owed to group undertakings	86,013	85,840
Accruals and other deferred income	10,830	10,182
Obligations under finance lease contracts (note 12)	77,553	84,342
	894,341	**964,032**

11. Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Obligations under finance leases (note 12)	13,178	90,731

12. Obligations Under Finance Leases

The Company's obligations under finance leases contracts are analysed by the value of future minimum lease payments as below:

	2022	2021
	£	£
Within one year	79,397	86,353
Between one and five years	13,232	92,630
	92,629	**178,983**

Finance lease liabilities are secured against the assets to which they relate.

Notes to the Financial Statements
For the year ended 30 September 2022

13. Deferred Tax

Deferred taxation (assets)/provisions recognised in the accounts are as follows:

	2022	2021
	£	£
Accelerated capital allowances	48,429	52,406
Losses	(116,222)	(137,444)
	(67,793)	**(85,038)**

A deferred tax asset has been recognised as the Directors believe there is a suitable degree of certainty that they will be utilised in the near term.

14. Share Capital

	2022	2021
	£	£
Allotted and fully paid		
320,000 ordinary shares of £1 each	320,000	320,000

15. Reserves

Profit and loss reserve
The profit and loss reserve includes all current and prior period retained profits and losses.

16. Financial Commitments

The following security is provided to Barclays Bank plc (the "Bank") in respect of LPA Group plc's £2.6m term loan facility: (i) a debenture from the Company; and (ii) a cross guarantee by the Company as guarantor on account of the obligations of each Group company to the Bank. At 30 September 2022 the company's contingent commitment under the facility was £2.1m (2021: £2.3m).

Notes to the Financial Statements

For the year ended 30 September 2022

17. Transactions with Related Parties

The Company has taken advantage of the exemption permitted by FRS102 and has not disclosed related party transactions with wholly owned group undertakings during the period.

18. Ultimate Parent Company

The Company's immediate and ultimate parent undertaking is LPA Group plc a company incorporated in England and Wales. Copies of LPA Group plc group accounts, which include the Company, are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

There is no ultimate controlling party of the group.