Sharp Laboratories of Europe, Ltd.

Annual report and financial statements

Registered number 02459180

31 March 2022

Contents

Strategic Report

The Directors present their strategic report for the year ended 31 March 2022.

Review of the business

The Company continued to operate R&D contracts with Sharp Corporation business units until the end of September 2021 when contracts expired, in parallel, the Company continued its property rental business. The rental income for the year declined to £604,345, this was due to the termination of pre-existing leases during the year.

By December 2021, the Company leased out its entire building at Unit 8, Oxford Science Park to a third party for 8 years with an optional break clause at the end of year 5. The Company primary source of revenue from December 2021 is rental income and service charges.

During January 2022 the company sold its shares in an unlisted investment, Faradion Limited for £4,723,311 net of costs, as disclosed in note 11 of the accounts.

Principal risks and uncertainties

The principal risks and uncertainties include:

Following the lease of the entire building to a third party ("Lessee"), the Company is now reliant on the lessee after the previous tenants have become sub-tenants of the lessee. The Company therefore relies on the lessee to make its rental payments on time. There is good demand locally for office and laboratory space, in addition, there is a long-term lease in place and the lessee is considered to be a strong covenant, so the risk is low.

The UK Group's last triennial pension scheme valuation during 2021, resulted in a deficit position with a corresponding deficit recovery plan, which will continue to have a significant impact on cash flows until the deficit is cleared. These cash flow demands will be funded from a combination of business cash generation and cash reserves.

Key performance indicators

Directors and senior management monitor the financial performance of the business, and now consider the key performance indicators of the business to be rental revenue and regulatory compliance.

Development and performance of the business during the year

Business performance was broadly in line with the business plan for the year.

As mentioned above, the R&D business ceased during the year, the rental income for 2022 was £604,345 (2021: £714,127), the decrease of £109,782 due to the termination of pre-existing leases during the year.

The operating loss for 2022 includes an operating profit of £380,497 from continuing operations and an operating loss of £1,276,456 from discontinued operations. The operating loss is £895,959 (2021: Profit £3,169,432), as 2021 included a fair value adjustment of £4,222,855 for an investment in shares, in the absence of this adjustment, 2021 would show an operating loss of £1,053,423. The loss in 2022 was driven by winding down R&D business activities.

Strategic Report (continued)

Development and performance of the business during the year (continued)

The operating loss for 2022 includes an operating profit of £380,497 from continuing operations and an operating loss of £1,276,456 from discontinued operations. The Company had a loss before tax of £2,521,744 (2021: profit before taxation £3,321,428), which was mainly driven by exceptional expenses of £1,666,440 incurred in 2022 relating to the wind down of the R&D business activities, and as mentioned above, a fair value adjustment for an investment in shares was recorded in 2021, although, this investment in shares was subsequently disposed of in 2022.

Cash balance as at 31 March 2022 has decreased by (£0.5m) compared to the previous year, mainly due to an increase in loan made by the Company to Sharp Electronics (Europe) Ltd of (£6m) to £9,410,071, which is partly offset by money received from sale of Faradion shares. The Directors are expecting Sharp Life Science (EU) Ltd to settle its debt (net of bad debt provision) of £995,377 (2021: £1,931,680) with the Company based on a mutually agreed payment plan. The Directors consider the increase in Capital and Reserves to be satisfactory.

Overall, the Directors consider the business performance to be satisfactory for the year.

Future Developments

The Company will continue to operate as a property rental business given the long lease in place with a third party, this will provide the Company with reliable rental income stream for a minimum of 5 years from December 2021, generating positive cashflow and profit.

Going Concern

Management has reviewed the company's forecast and projects and concluded there are no material uncertainties that cause doubt that the company will not continue to trade for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

On behalf of the board on 22nd August 2022

Takahiro Yokoyama
Director

4 Furzeground Way
Stockley Park
Uxbridge
Middlesex
UB11 1EZ

Registered number 02459180

Directors' report

The Directors present their annual report for Sharp Laboratories of Europe, Ltd. (the "Company") for the year ended 31 March 2022.

Principal activities

Following the cessation of R&D activities in September 2021, the Company restructured itself into a property rental business and leased its entire land and buildings to a third party. The principal activity of the company is now a property rental business.

Results and dividends

The audited financial statements for the year ended 31 March 2022 are set out on pages 12 to 33. The loss for the year after taxation was £1,725,690 (2021: profit £2,438,026).

Nil dividend was proposed during the course of the year (2021: £nil).

Political and charitable contributions

The Company made nil political contributions during the year (2021: £nil).

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors. These provisions were made during the year and remain in force up to the date of signing these financial statements.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were

J Ashida (Resigned 28 May 2021)
M Taneya (resigned May 2021)
Y J Tung (appointed 28 May 2021)
T Yokoyama (appointed 13 August 2021)

Financial risk management

The directors are responsible for identifying, considering and managing the financial risks to the company.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The Directors review the Company's financial position by continuously monitoring performance and general market conditions to ensure that the receivable balances are secure. All assets relating to third parties over 90 days aged were fully provided against. The Company's maximum exposure to credit risk approximates to the carrying amount of its financial assets.

The Company has no exposure to currency risks.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed through group banking arrangements that ensure sufficient funds are available to cover potential liabilities arising against projected cash flows.

Post Balance Sheet events

There were no post balance sheet events to report.

Directors' Report (continued)

Information of Strategic Importance

In accordance with section 414(c) of the Companies Act 2006 certain information required to be disclosed in the Directors' Report has been included in the Strategic Report.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and resolution concerning reappointment will be proposed at the Annual General Meeting.

On behalf of the board on 22nd August 2022

4 Furzeground Way
Stockley Park
Uxbridge
UB11 1EZ

Takahiro Yokoyama
Director

Registered number 02459180

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

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.

Disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved:

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

On behalf of the board on 22nd August 2022

Takahiro Yokoyama
Director

Registered number 02459180

4 Furzeground Way
Stockley Park
Uxbridge
UB11 1EZ

Independent auditors' report to the members of Sharp Laboratories of Europe, Ltd.

Report on the audit of the financial statements

Opinion

In our opinion, Sharp Laboratories of Europe, Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Balance Sheet as at 31 March 2022; Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report to the members of Sharp Laboratories of Europe, Ltd. (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

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

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

Independent auditors' report to the members of Sharp Laboratories of Europe, Ltd. (continued)

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and Corporate Tax Legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Review of board minutes for consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements, in particular in relation to the recoverability of assets;
- Discussion with management including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Risk based testing of journal entries; and
- Reviewing the disclosures in the Directors' Reports and Financial Statements against the specific legal requirements

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

Independent auditors' report to the members of Sharp Laboratories of Europe, Ltd. (continued)

We have no exceptions to report arising from this responsibility.

H Verwey

Hannes Verwey (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Watford

22 August 2022

Statement of Comprehensive Income

for the year ended 31 March 2022

	Note	2022 £	Restated 2021 £
Continuing Operations			
Turnover	2	604,345	714,127
Staff costs	4	-	-
Depreciation and other amounts written off tangible assets		(35,940)	(64,250)
Other operating expenses		(187,908)	(228,548)
Operating Profit		**380,497**	**421,329**
Fair value gain on financial assets at fair value through profit and loss		-	4,222,855
Interest receivable and other income	6	40,656	93,891
Gain on sale of fixed assets		-	58,105
Profit before taxation	3	421,153	4,796,180
Tax on profit	8	61,834	(883,402)
Profit after taxation from continuing operations		**482,897**	**3,912,778**
Loss from discontinued operations	7	(2,208,677)	(1,474,752)
Total (Loss)/profit		(1,725,690)	2,438,026
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit asset	14	2,941,891	(3,130,164)
Income tax on items that will not be reclassified to profit or loss		(1,068,106)	1,001,217
Total other comprehensive income/(expense) for the year, net of income tax		**1,873,785**	**(2,128,947)**
Total comprehensive income for the year		**148,095**	**309,079**

Statement of Financial Position
as at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	9	-	-		4,031,611
Investment Property	10		3,781,436		-
Investments	11		-		4,723,311
			3,781,436		8,754,922
Current assets					
Pension asset	15	6,368,459		3,212,034	
Debtors	12	11,904,270		9,216,292	
Cash at bank and in hand		1,661,580		2,184,534	
		19,934,309		14,612,860	
Creditors: amounts falling due within one year	13	(398,145)		(543,763)	
Net current assets			19,536,164		14,069,097
Total assets less current liabilities			23,317,600		22,824,019
Provisions for liabilities					
Deferred tax liability	14		(2,547,735)		(2,202,249)
Net assets			20,769,865		20,621,770
Capital and reserves					
Called up share capital	16		12,200,000		12,200,000
Profit and loss account			8,569,865		8,421,770
Total Shareholders' funds			20,769,865		20,621,770

These financial statements on pages 12 to 33 were approved by the board of directors on 22nd August 2022 and were signed on its behalf by:

Takahiro Yokoyama
Director

Company registered number: 02459180

Statement of Changes in Equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2020	**12,200,000**	**8,112,691**	**20,312,691**
Profit for the financial year	-	2,438,026	2,438,026
Other comprehensive expense	-	(2,128,947)	(2,128,947)
Total comprehensive income for the year	-	309,079	309,079
Balance at 31 March 2021	**12,200,000**	**8,421,770**	**20,621,770**
Balance at 1 April 2021	**12,200,000**	**8,421,770**	**20,621,770**
Loss for the year	-	(1,725,690)	(1,725,690)
Other comprehensive income	-	1,873,785	1,873,785
Total comprehensive income for the year	-	148,095	148,095
Balance at 31 March 2022	**12,200,000**	**8,569,865**	**20,769,865**

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

Sharp Laboratories of Europe, Ltd is a private company limited by shares registered in England, United Kingdom. The registered office for the Company is 4 Furzeground Way, Stockley Park, Uxbridge, United Kingdom, UB11 1EZ. The registered number is 2459180.

The financial statements have been prepared in accordance with The Companies Act 2006 as applicable to companies using FRS 101.

All amounts in the financial statements have been rounded to the nearest pound.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The *Company's ultimate parent undertaking, Sharp Corporation includes the Company in its consolidated* financial statements. The consolidated financial statements of Sharp Corporation are available to the public and may be obtained from http://sharp-world.com/corporate/ir/index.html.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of transactions with wholly owned subsidiaries of the same group; and
- Disclosures in respect of the compensation of Key Management Personnel.
- Related party disclosures, to disclose related party transactions entered into between two or more members of a group;

As the consolidated financial statements of ultimate parent undertaking (Sharp Corporation) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

As the consolidated financial statements of Sharp Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Changes in accounting policy and disclosures

No new accounting standards were implemented in the current year that have an impact on the company's financial statements.

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies (continued)

Measurement convention

The financial statements are prepared on the historical cost basis except where accounting standards require assets and liabilities are stated at their fair value.

Going concern

Management has reviewed the company's forecast and projects and concluded there are no material uncertainties that cause doubt that the company will not continue to trade for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Other investments in debt and equity securities held by the Company are stated at fair value. Any resultant gain or loss is recognised through profit and loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank balances and cash comprise time deposits with an original term of three months or less and interest is calculated by reference to SONIA. The carrying amounts represent their fair value. As such no disclosure of fair value is required. All transactions are recognised on their transaction date.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency (GBP) at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies (continued)

Property rental

Property rental is a business activity that generates a significant portion of revenue for the Company. The company recognises income on an invoice and accrual basis based on the contractual terms contained in the property leases.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Where land and buildings are held under leases the accounting treatment of the land is considered separately from that of the buildings. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Buildings 10-50 years
- Long leasehold land life of lease
- Plant and machinery 4-10 years
- Fixtures and fittings 2-4 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies (continued)

Non-financial Assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

In respect of other assets, impairment losses recognised in prior year are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Investment property

Investment property, which is property held to earn rentals, is initially measured at cost including transaction costs. The company has adopted the cost model as accounting policy, so investment property is stated at its historical cost less depreciation at the balance sheet date. Historical cost includes expenditure that is directly attributable to the acquisition of the assets and to bring items to the location and condition needed for it to operate in the manner intended by management.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in profit and loss in the period in which the property is derecognised.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plans is defined by estimating the amount of future benefit that employees have earned in return for their service in the prior years; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Company determines the net interest on the net defined benefit liability/(asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the financial year to the net defined benefit liability/(asset).

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies *(continued)*

Employee benefits (continued)

Defined benefit plans (continued)

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA that have maturity dates approximating the terms of the Company's obligations and that are denominated in the currency in which the benefits are expected to be paid.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Company recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

Certain of the Company's employees are members of a group wide defined benefit pension plan. The Company accounts for its share of the assets and liabilities in the scheme based on an allocation of liabilities performed by the scheme's actuaries. The allocation is based on the most recent available information, but the company's share is not necessarily the same as its potential liability under the Debt on Employer regulations. The contributions payable to the plan by the participating entities are determined in accordance with advice from the actuary and in accordance with the Schedule of Contributions in place during the year.

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

Exceptional items

Items that are material in size and unusual or infrequent in nature are disclosed as exceptional items in the notes to the financial statements. The directors are of the opinion that the separate recording of exceptional items provides helpful information about the Company's underlying business performance.

Turnover

Company turnover mainly comprises fees under contracts for research and development for Sharp Group companies and property rental income from tenancies.

The research and development revenue received from the Sharp Group companies is mainly project related income. Project income is recognised on an accruals basis following agreement of a contract with the customer containing agreed obligations and a transaction price together with completion and acceptance of the project deliverables by the customer. This income is invoiced at half yearly intervals, and appropriate adjustments to revenue recognition are made to allocate the revenue to the correct period, and due consideration is made to the likely receipt of income in the event of a debtor balance being present.

There is an amount of grant funded research carried out to complement the Sharp Group work and the revenue is recognised when the grant cash is received by the company.

In addition, the Company has made RDEC claims from HMRC this year. In accordance with IAS 20 the income is recognised on an accrual basis.

Lease income is from tenancy granted to a third party entity occupying the building. The rental income is recognised based on the lease terms agreed with the tenant. Lease terms are monthly or quarterly in advance and appropriate adjustments are made to allocate revenue to the correct period. Due consideration is made to the likely receipt of income in the event of a debtor balance being present.

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies *(continued)*

Interest receivable and interest payable

Interest payable and similar charges, include finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Research and development

Research and development was the main business activity, which generated revenue for the Company. Research and development expenditure is written off except where the directors are satisfied as to the technical, commercial and financial viability of individual projects performed for the Company's own account. In such cases, the identifiable expenditure is deferred and amortised over the period during which the Company is expected to benefit.

Accounting estimates and judgements

The preparation of financial statements in conformity with Financial Reporting Standard 101 Reduced Disclosure Framework requires management to make judgements, estimates and assumptions that affect the application of policies and reported annual amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies *(continued)*

Accounting estimates and judgements (continued)

The company believes the principal accounting estimates, assumptions and uncertainties employed in the preparation of these financial statements are:

Pension assumptions

Actuarial assumptions are established to anticipate future events and are used in calculating post-employment benefit expenses and liabilities. These factors include assumptions with respect to interest rates, rates of future compensation increases, turnover rates and life expectancy.

Fair values

The fair value of financial instruments that are not traded in an active market is determined by a number of valuation techniques. The company uses its judgement in selecting a variety of valuation methods upon which to base the valuation.

2 Turnover

Turnover is derived from research and development contracts with the parent company in Japan and rental income from tenants in the building.

	2022	Restated 2021
	£	£
Continuing operations		
Rent	604,345	714,127
Discontinued operations		
Research and Development	838,000	1,902,850
RDEC	-	262,326
Support Services	225,314	210,521
Other	88,062	85,544
Total discontinued operations	1,151,376	2,461,241
Total	1,755,721	3,175,368

3 Expenses and auditors' remuneration

Included in (loss)/profit before taxation are the following:

	2022	2021
	£	£
Research and development expenditure - discontinued	847,893	2,048,371

Auditors' remuneration:

	2022	2021
	£	£
Audit of these financial statements - continued	22,000	22,000

Notes *(continued)*
(forming part of the financial statements)

4 Staff costs

All the staff costs relates to discontinued operations. The monthly average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2022	2021
Research and development	12	18
Administration	4	10
	16	28

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£	£
Wages and salaries	776,500	1,538,217
Social security costs	84,649	165,641
Other pension costs	65,000	127,207
	926,149	1,831,065

5 Remuneration of directors

The aggregate of emoluments of the highest paid director was £nil *(2021:£nil)* and company pension contributions of £nil *(2021: £nil)* were paid to a defined contribution scheme on their behalf.

The other directors of the company are also the directors or officers of other companies within the group. The directors' services to the company do not occupy a significant amount of time and are considered incidental. As such the directors do not consider that they receive any remuneration for their services from the company for the years ended 31 March 2022 and 31 March 2021.

Notes *(continued)*

(forming part of the financial statements)

6 Interest receivable and similar income

	2022	2021
	£	£
Bank interest	136	2,015
Other interest	6,536	2,883
Net interest on net defined benefit pension plan	33,984	88,993
	40,656	93,891

7 Discontinued Operations

The company discontinued all R&D related activities from September 2021

	2022	2021
	£	£
Turnover	1,151,376	2,461,241
Staff costs	(926,149)	(1,831,065)
Depreciation and other amounts written off tangible fixed assets	(76,371)	(227,797)
Exceptional items	(1,666,440)	-
Other operating expenses	(1,425,313)	(1,877,131)
Loss for the year for discontinued operations	(2,942,897)	(1,474,752)
Taxation	734,220	-
Loss after taxation	(2,208,677)	(1,474,752)

Exceptional items relates to redundancy costs and exit cost from the building due to cessation of R&D activities.

Notes *(continued)*
(forming part of the financial statements)

8 Tax on (loss)/profit

Analysis of (credit/charge) in the year

UK corporation tax

	2022 £	2022 £	Restated 2021 £	Restated 2021 £
Continuing operations				
Current tax on income for the year	660,786		100,339	
Adjustment in respect of prior year	-		-	
Total current tax		660,786		100,339
Deferred taxation				
Origination and reversal of timing differences	(809,841)		783,063	
Effect of tax rate change on opening balance	87,221		-	
Total deferred tax		(722,620)		783,063
Discontinued operations				
Current tax on income for the year	(660,356)		-	
Adjustment in respect of prior year	(73,864)		-	
Total current tax		(734,220)		-
Tax on (loss)/profit		(796,054)		883,402

Income tax recognized in other comprehensive income/(expense)	**2022** £	2021 £
Remeasurement of defined benefit asset	(1,068,106)	1,001,217

Notes *(continued)*
(forming part of the financial statements)

8 Tax on (loss)/profit (continued)

Reconciliation of standard tax rate	£	£
(Loss)/profit before taxation	(2,521,744)	3,321,428
Current tax at 19% *(2021: 19%)*	(479,131)	631,071
Effects of:		
Expenses not deductible for tax purposes	121,696	7,297
Ineligible depreciation	21,339	34,533
Transfer pricing adjustment	56,626	237,746
Income not taxable for tax purposes	-	(17,099)
Prior year tax adjustment	(73,864)	-
Adjustment to tax charge in respect of prior years	(20,049)	(10,146)
Effect of tax rate on opening balance	87,220	-
Group loss relief claim	(297,853)	-
RDEC claim	(212,038)	-
Total tax (credit)/charge	(796,054)	883,402

The standard rate of corporation tax in the UK was 19% (2021: 19%) for the accounting year.

At Budget 2020, the government announced that the Corporation Tax main rate for the years starting 1 April 2020 and 2021 would remain at 19%, accordingly, the deferred tax is recognised at 19%. In March 2021, the Finance Budget 2021 announced an increase in the rate of corporation tax from 19% to 25% from 1 April 2023 for companies with taxable profits over £250,000. This tax rate has been substantively enacted and therefore deferred taxes at the balance sheet date will be measured at the enacted tax rate of 25%.

The deferred tax on employee benefits which has represents the amount which would be withheld at a rate of 35% (2021: 35%) from any refund due under pension regulations.

Notes *(continued)*

(forming part of the financial statements)

9 Tangible assets

	Buildings	Long Leasehold land	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£	£
Cost	8,991,250	4,227,000	8,356,695	1,334,587	22,909,532
At 1 April 2021					
Additions	8,316	-	-	-	8,316
Disposals	(868)	-	(8,011,669)	(1,230,353)	(9,242,890)
Transfer to Investment Property	(8,998,698)	(4,227,000)	(345,026)	(104,234)	(13,674,958)
At 31 March 2022	-	-	-	-	-
Accumulated Depreciation					
At 1 April 2021	8,953,438	506,048	8,113,460	1,304,975	18,877,921
Depreciation charge for year	9,215	8,454	46,619	8,273	72,561
Disposals	-	-	(7,887,696)	(1,209,014)	(9,096,710)
Transfer to Investment Property	(8,962,653)	(514,501)	(272,384)	(104,234)	(9,853,772)
At 31 March 2022	-	-	-	-	-
Net book value **At 31 March 2022**	-	-	-	-	-
At 31 March 2021	37,812	3,720,952	243,235	29,612	4,031,611

The company has granted a fixed charge over the building and long leasehold land to the trustees of the Sharp Electronics (U.K.) Pension Scheme as security in respect of the obligations and liabilities of certain companies which are party to that pension scheme to make payments up to a maximum of their aggregate amount as at 21 March 2014.

Following the cessation of R&D activity, the company became a rental business. The building and fixtures were transferred to investment property at note 10 below.

Notes *(continued)*
(forming part of the financial statements)

10 Investment Property

	Land & Building £	Plant-Machinery Furniture & Fittings £	Total £
Cost as at 1 April 2021	-	-	-
Additions	-	-	-
Disposals	-	-	-
Transfer from Tangible assets	3,748,543	72,641	3,821,184
Cost At 31 March 2022	3,748,543	72,641	3,821,184
Accumulated Depreciation			
At 1 April 2021	-	-	-
Depreciation charge for year	16,054	23,694	39,748
Disposals	-	-	-
At 31 March 2022	16,054	23,694	39,748
Net book value	3,732,489	48,947	3,781,436
At 31 March 2022			
At 31 March 2021	-	-	-

Management's best estimate of the buildings fair value as at 31 March 2022 is £8.9m.

11 Investments

	2022 £	2021 £
Fixed asset investments		
Opening balance	4,723,311	500,456
Fair value gain on the financial assets at fair value through profit and loss	-	4,222,855
Disposal /Sale of Investment during the year	(4,723,311)	-
Closing balance at 31 March	-	4,723,311

During January 2022, the company sold its shares in the unlisted investment, Faradion Limited, for £4.723m net of costs.

Notes *(continued)*

(forming part of the financial statements)

11 Investments (continued)

Registered office	Class of shares held	2022	2021
The Innovation Centre, 217 Portobello, Sheffield, S1 4DP, United Kingdom			
		Holding	Holding
Name of Company			
Faradion Limited	Ordinary shares	-	6.8%

12 Debtors

	2022	2021
	£	£
Amounts owed by group undertakings	9,484,671	6,530,823
Other debtors including taxation	1,769,381	1,935,633
Corporation tax receivable	551,935	711,352
Prepayments	98,283	38,484
Due within one year	11,904,270	9,216,292

Included in the 'Other debtors including taxation' is £1,115,275 (2021: £1,931,680) relating to a related party. Included in 'Amounts owed by group undertakings' is a loan made to Sharp Electronics Europe Ltd of £9,410,071 (2021: £6,004,800). The loan is charged at an interest rate of 0.135% and is repayable on demand.

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	19,314	114,182
Amounts due to group undertakings	170,657	-
Other creditors including taxation and social security	137,102	64,669
Accruals and deferred income	71,072	364,912
	398,145	543,763

The fair value of amounts owed by/due to group undertakings, trade creditors, other debtors and other creditors approximate their carrying amounts due to the short-term maturities. 'Amounts due to group undertakings' are interest free and repayable on demand. The reduction in accruals and deferred income are due to discontinued operations.

Notes *(continued)*
(forming part of the financial statements)

14 Deferred tax liability

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2022	2021	**2022**	2021	**2022**	2021
	£	£	**£**	£	**£**	£
Tangible fixed assets	-	-	(319,236)	(276,198)	(319,236)	(276,198)
Defined benefit pension	-	-	(2,228,499)	(1,123,751)	(2,228,499)	(1,123,751)
Investments	-	-	-	(802,300)	-	(802,300)
Total liabilities	-	-	(2,547,735)	(2,202,249)	(2,547,735)	(2,202,249)
Net of tax liabilities	(2,547,735)	(2,202,249)				
Tax liabilities at 19% (2021:19%)	(319,236)	(1,078,498)				
Tax liabilities at 35% (2021:35%)	(2,228,499)	(1,123,751)				

The tax rate used for the deferred tax assets is 25%. The deferred tax on employee benefits represents the amount which would be withheld at a rate of 35% from any refund due under pension regulations.

Movement in deferred tax during the year:

	1 April 2021	Recognised in income	Recognised in equity	31 March 2022
	£	£	£	£
Tangible fixed assets	(276,198)	(43,038)	-	(319,236)
Defined benefit pension	(1,123,751)	(36,642)	(1,068,106)	(2,228,499)
Investments	(802,300)	802,300	-	-
	(2,202,249)	**722,620**	**(1,068,106)**	**(2,547,735)**

Movement in deferred tax during the prior year:

	1 April 2020	Recognised in income	Recognised in equity	31 March 2021
	£	£	£	£
Tangible fixed assets	(295,435)	19,237	-	(276,198)
Defined benefit pension	(2,124,968)	-	1,001,217	(1,123,751)
Investments	-	(802,300)	-	(802,300)
	(2,420,403)	**(783,063)**	**1,001,217**	**(2,202,249)**

Notes *(continued)*
(forming part of the financial statements)

15 Pension asset

Composition of the scheme

The Company participates in a group defined benefit scheme in the UK. The scheme is governed by the scheme Trustees in accordance with the Pension Scheme regulations. The Company accounts for its share of the assets and liabilities in the scheme based on an allocation of liabilities performed by the scheme's actuaries.

The policy for charging net defined benefit costs and determining the contribution to be paid by the entity is based on the Recovery Plan dated 27 March 2018 and using the valuation of the scheme updated as at 31 March 2017. The Company's share is not necessarily the same as its potential liability under the Debt on Employer regulations. The directors consider that the assets and liabilities in the scheme are split between the participating employers on a consistent and reasonable basis.

The information disclosed below is in respect of the whole of the plans for which the Company has been allocated a share of cost under an agreed group policy throughout the years shown.

The scheme was closed to future accruals on 30 September 2010.

Contributions to the scheme were made in accordance with advice from the Actuary and in accordance with the Schedule of Contributions in place during the year. The results of an actuarial valuation updated as at 31 March 2017 have been updated to 31 March 2022 for accounting purposes. For figures as at 31 March 2022 it has been assumed that members will retire at their normal retirement age of 65.

In April 2011, the company made a one-off deficit contribution of £4,784,000 with the agreement of the other scheme companies. This one-off contribution reduced the company's minimum funding requirements for the following 10 years.

	2022	2021
	£'000	£'000
Share of defined benefit assets	34,785	34,221
Share of defined benefit liabilities	(28,417)	(31,009)
Net pension asset	6,368	3,212

The information disclosed below is in respect of the whole of the plans for which the Company has been allocated a share of costs under an agreed group policy throughout the years shown. Amounts have been rounded to the nearest £1,000.

The Pensions scheme is denominated in Sterling. The below provides the **Sterling value** of the total Scheme:

	2022	2021
	£'000	£'000
Total defined benefit asset	284,768	276,604
Total defined benefit liability	(219,155)	(237,157)
Net asset for defined benefit obligations (see following table)	65,613	39,447

Notes *(continued)*
(forming part of the financial statements)

15 Pension assets *(continued)*

Uncertainty and Sensitivity analysis on the total scheme was performed, results are outlined below:

	2022	2021
	£000	£000
Discount rate before and after retirement decreased by 0.1% pa	+4,200	+4,900
Inflation increased by 0.1% pa	+3,200	+3,800
Members are assumed to live 1 year longer	+8,700	+9,700

The Company agrees contributions following triennial valuation of the scheme. The last triennial valuation was performed in March 2020, which commits the following contributions for the company up to March 2023 – payable by March 2018 £329,000, April 2018 – March 2021 £237,000, April 2021 – March 2021 £164,000, April 2021 – March 2023 £791,000.

Movements in net defined benefit (liability)/asset

	Defined benefit obligation		Fair value of plan assets		Net defined benefit asset	
	2022	2021	**2022**	2021	**2022**	2021
	£000	£000	**£000**	£000	**£000**	£000
Balance at the beginning of year	(237,157)	(196,651)	276,604	251,752	39,447	55,101
Included in profit or loss						
Past service (cost) & settlement	-	-	-	-	-	-
Administration costs incurred during the year	-	-	(602)	(817)	(602)	(817)
Interest (cost)/income	(4,675)	(4,859)	5,513	6,294	838	1,435
Included in OCI						
Remeasurements (loss)/gain	-	(35)	-	-	-	(35)
Actuarial (loss)/gain arising	22,229	(50,285)	4,560	18,550	26,789	(31,735)
Experience (loss)/gain on defined benefit obligation	(6,147)	3,908	-	-	(6,147)	3,908
Changes in demographic assumptions for valuation of liabilities	(212)	6,090	-	-	(212)	6,090
Other						
Contributions paid by the employer	-	-	5,500	5,500	5,500	5,500
Benefits paid	6,807	4,675	(6,807)	(4,675)	-	-
Balance at the end of the year	(219,155)	(237,157)	284,768	276,604	65,613	39,447

Notes *(continued)*

(forming part of the financial statements)

15 Pension assets *(continued)*

Fair value of plan assets	2022 £000	2021 £000
Equity instruments	48,776	44,583
Corporate bonds	99,706	86,238
LDI	72,972	71,533
Property fund	23,564	20,678
Cash and cash equivalents	39,750	53,572
Total	284,768	276,604

All equity securities and government bonds have quoted prices in active markets. All government bonds are issued by European governments and are AAA- or AA-rated. All other plan assets are not quoted in an active market.

Actuarial assumptions

	2022	2021
Discount rate at 31 March	2.8%	2.0%
Future pension increases	3.4%	3.1%

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

Current pensioner aged 65: 21.8 years (male), 24.3 years (female)
Future retiree upon reaching 65: 23.1 years (male), 25.7 years (female)

The actual cost of equalising GMPs inequalities, following the Lloyds Bank case remains highly uncertain due to legal uncertainty, political uncertainty, historical data which is unavailable at this stage, and future trustee decisions. The ultimate cost will only be known in some years once the trustees have completed an exercise to equalise benefits and could be significantly different to the allowance made here.

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the Company to the scheme and amounted to £65,000 *(2021: £127,207)*.
Contributions amounting to £nil *(2021: £46,505)* were payable to the scheme and are included in creditors.

Notes *(continued)*

(forming part of the financial statements)

16 Called up share capital

	2022	2021
	£	£
Authorised, allotted, called up and fully paid		
12,200,000 (2021: 12,200,000) ordinary shares of £1 each	**12,200,000**	**12,200,000**

17 Ultimate parent company and parent company of largest group

The Company's immediate parent company is Sharp Electronics Europe Ltd, incorporated in the United Kingdom. The ultimate parent company is Sharp Corporation which is incorporated in Japan. The largest and smallest group in which the results of the Company are consolidated is that headed by Sharp Corporation. The consolidated financial statements of these groups are available to the public and may be obtained from 1 Takumi-Cho-Sakai-KU, Sakai, Osaka 590-8522, Japan.