Registered number: 02724532

HY-PRO INTERNATIONAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

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HY-PRO INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors	A Shah N W Wray M R Rajah C R Shah
Company secretary	V Shah
Registered number	02724532
Registered office	Hy-Pro House, Centrus Park Arenson Way Houghton Regis Dunstable Bedfordshire LU5 5BN
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF
Bankers	HSBC Bank PLC 207 Queensway Bletchley Milton Keynes Buckinghamshire MK2 2EE
Solicitors	Heald Solicitors Ashton House 495 Silbury Boulevard Milton Keynes Buckinghamshire MK2 2AH

HY-PRO INTERNATIONAL LIMITED

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GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

Introduction

The Directors present the Group Strategic Report and financial statements for the year ended 31 December 2021.

Business review

Hy-Pro International operates both in the Sports and Outdoor markets.

Hy-Pro continued to deliver excellent results. The 2021 revenue was at £22.7m compared to the prior year level of £18.5m. Considering the impact of COVID-19 during the year 2020, Hy-Pro has performed excellently in year 2021 to achieve the revenue and operating income levels mentioned.

Hy-Pro's core products within the brands Zinc and Hy-Pro have continued to show strong growth and have increased market share during the year.

Operating profit amounted to £2.4m compared to a prior year level of £0.9m.

The net assets of the Group of £8m were at similar level to the prior year of £7.5m.

Future developments

Hy-Pro recognises product development in line with consumer preference is critical to maintain its market lead position. Appropriate resources and initiatives have been engaged by Hy-Pro to ensure the Company continues to focus on this requirement. During year 2022 additional opportunities to expand has been identified and the team is exploring the feasibility of these opportunities.

Principal risks and uncertainties

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's policies are aimed at minimising such losses and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. As most customers have a good payment history management does not expect the Group's exposures to default by those parties to be material.

Liquidity risk is the risk than an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection targets. The Group's operating funds are deemed to be more than sufficient to meet the cash flow demand therefore liquidity risk is not considered to be significant.

The Group is also exposed to foreign exchange risk on its trading activities and manages this risk by forecasting currency requirements in the business and putting in place the appropriate facilities with its banking partner. In addition, two major currencies the Group operates with are Sterling and US dollar. Where feasible the Group operates natural currency netting to minimise currency exposure.

Currency fluctuation due to Brexit has affected the margin on sales, however management took foreign exchange risk management strategies including natural hedging to minimise the impact.

Impact of COVID-19

2021 has shown a considerable improvement on Covid Year 2020. Considering the impact of COVID-19, Hy-Pro has delivered a satisfactory result in year 2021. In year 2022 Hy-Pro continued to face some challenges in the supply chain and distribution. Hy Pro continues to work with its partners to minimise this impact.

Key performance indicators (KPIs)

The board implemented and monitored KPIs to enhance the financial and operational performance of the organisation. Key performance indicators such as on time delivery %, return %, product shortage, product defect %, customer lifetime value and customer acquisition cost are some of the examples of key performance measures monitored in the organisation.

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

Ravi Rajah (Sep 29, 2022 17:10 GMT+1)

M R Rajah
Director

Date: 29-Sep-2022

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

The Directors present their report and the financial statements for the period ended 31 December 2021.

Directors

The Directors who served during the period were:

A Shah
N W Wray
M R Rajah
C R Shah

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Results and dividends

The profit for the period, after taxation, amounted to £1,807k (2020 - £603k).

In respect of the year ended 31 December 2021, the Group paid a dividend of £1,330k (2020 - £1,600k) to the parent entity Hy-Pro Group Limited.

Matters covered in the Group Strategic Report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulation 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Group Strategic Report on pages 1 and 2. These matters relate to the business review, future developments, principal risks and uncertainties and key performance indicators.

Going concern

The financial statements have been prepared on the going concern basis which assumes that the Group and Company will continue in operational existence for the foreseeable future.

The Directors have reviewed cash flow forecasts for a period of not less than 12 months from the date of approval of the financial statements and are confident that the Group and Company will be able to pay its liabilities as they fall due. On this basis, the Directors consider it appropriate to prepare the financial statements on the going concern basis, having also considered the impact of COVID-19 as disclosed in the Group Strategic Report.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

Ravi Rajah (Sep 29, 2022 17:10 GMT+1)

M R Rajah
Director

Date: 29-Sep-2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HY-PRO INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Hy-Pro International Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statements of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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 Group and Parent Company's affairs as at 31 December 2021 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 the financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Parent Company and the Group and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements; employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and 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 manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the stock provision, revenue recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body for our audit work, for this report, or for the opinions we have formed.

Lesley Fox
Lesley Fox (Sep 29, 2022 21:09 GMT+1)

Lesley Fox (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 29-Sep-2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Turnover	4	22,725	18,530
Cost of sales		(16,615)	(14,093)
Gross profit		6,110	4,437
Administrative expenses		(3,610)	(3,531)
Other exceptional items	15	(138)	-
Operating profit	5	2,362	906
Interest payable and similar expenses	9	(218)	(194)
Profit before taxation		2,144	712
Tax on profit	10	(337)	(109)
Profit for the financial period		1,807	603
Profit for the period attributable to:			
Owners of the parent Company		1,807	603
		1,807	603

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

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

The notes on pages 15 to 35 form part of these financial statements.

HY-PRO INTERNATIONAL LIMITED
REGISTERED NUMBER: 02724532

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £000		2020 £000
Fixed assets					
Tangible fixed assets	**14**		1,316		1,365
			1,316		1,365
Current assets					
Stocks	**16**	1,700		1,611	
Debtors: amounts falling due within one year	**17**	14,923		15,236	
Cash at bank and in hand	**18**	5,624		3,658	
		22,247		20,505	
Creditors: amounts falling due within one year	**19**	(12,078)		(10,591)	
Net current assets			10,169		9,914
Total assets less current liabilities			11,485		11,279
Creditors: amounts falling due after more than one year	**20**		(3,469)		(3,750)
Deferred taxation	**23**	(10)		-	
			(10)		-
Net assets			8,006		7,529
Capital and reserves					
Called up share capital	**24**		125		125
Share premium account	**25**		29		29
Merger reserve	**25**		(357)		(357)
Profit and loss account	**25**		8,209		7,732
			8,006		7,529

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Ravi Rajah (Sep 29, 2022 17:10 GMT+1)

M R Rajah
Director

Date: 29-Sep-2022

The notes on pages 15 to 35 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £000		2020 £000
Fixed assets					
Tangible assets	14		1,292		1,331
Investments			-		-
			1,292		1,331
Current assets					
Stocks	16	1,700		1,611	
Debtors: amounts falling due within one year	17	13,983		11,571	
Cash at bank and in hand	18	5,061		3,462	
		20,744		16,644	
Creditors: amounts falling due within one year	19	(17,290)		(12,865)	
Net current assets			3,454		3,779
Total assets less current liabilities			4,746		5,110
Creditors: amounts falling due after more than one year	20		(3,469)		(3,750)
Provisions for liabilities					
Deferred taxation	23	(10)		-	
			(10)		-
Net assets			1,267		1,360
Capital and reserves					
Called up share capital	24		125		125
Share premium account	25		29		29
Profit and loss account brought forward		1,206		2,248	
Profit for the period		1,237		558	
Dividends paid		(1,330)		(1,600)	
Profit and loss account carried forward			1,113		1,206
			1,267		1,360

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M R Rajah
Director

Ravi Rajah (Sep 29, 2022 17:10 GMT+1)

Date: 29-Sep-2022

The notes on pages 15 to 35 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2021	125	29	(357)	7,732	7,529
Comprehensive income for the period					
Profit for the period	-	-	-	1,807	1,807
Total comprehensive income for the period	-	-	-	1,807	1,807
Dividends paid	-	-	-	(1,330)	(1,330)
At 31 December 2021	125	29	(357)	8,209	8,006

The notes on pages 15 to 35 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2020	125	29	(357)	8,729	8,526
Comprehensive income for the year					
Profit for the year	-	-	-	603	603
Total comprehensive income for the year	-	-	-	603	603
Dividends paid	-	-	-	(1,600)	(1,600)
At 31 December 2020	125	29	(357)	7,732	7,529

The notes on pages 15 to 35 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2021	125	29	1,206	1,360
Comprehensive income for the year				
Profit for the period	-	-	1,237	1,237
Total comprehensive income for the period	-	-	1,237	1,237
Dividends paid	-	-	(1,330)	(1,330)
At 31 December 2021	125	29	1,113	1,267

The notes on pages 15 to 35 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2020	125	29	2,248	2,402
Comprehensive income for the year				
Profit for the year	-	-	558	558
Total comprehensive income for the year	-	-	558	558
Dividends paid	-	-	(1,600)	(1,600)
At 31 December 2020	125	29	1,206	1,360

The notes on pages 15 to 35 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
Cash flows from operating activities		
Profit for the financial period	1,807	603
Adjustments for:		
Amortisation of intangible fixed assets	-	10
Depreciation of tangible fixed assets	79	51
Interest paid	218	194
Taxation charge	337	109
(Increase) in stocks	(89)	(737)
Decrease/(increase) in debtors	362	(2,258)
(Decrease)/increase in creditors	(714)	1,768
Corporation tax (paid)	(80)	(44)
Net cash generated from operating activities	1,920	(304)
Cash flows from investing activities		
Purchase of tangible fixed assets	(30)	(155)
Net cash from investing activities	(30)	(155)
Cash flows from financing activities		
Increase in bank loans	-	3,844
Repayment of loans	(2,475)	-
Dividends paid	(1,330)	(1,600)
Interest paid	(218)	(194)
Net cash used in financing activities	(4,023)	2,050
Net (decrease)/increase in cash and cash equivalents	(2,133)	1,591
Cash and cash equivalents at beginning of period	1,267	(324)
Cash and cash equivalents at the end of period	(866)	1,267
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	5,624	3,658
Bank overdrafts	(6,490)	(2,391)
	(866)	1,267

The notes on pages 15 to 35 form part of these financial statements.

1. General information

Hy-Pro International Limited (the 'Company') is a private company limited by shares, incorporated in England and Wales. The address of its registered office is Hy-Pro House, Centrus Park, Arenson Way, Houghton Regis, Dunstable, Bedfordshire, LU5 5BN. Company number 02724532.

The principal activity of the Group and Company is the online sale of sports and toy products.

The financial statements are prepared in Pounds Sterling as this is the functional currency and currency of the primary economic environment in which the Group and Company operates. Monetary amounts in these financial statements are rounded to the nearest thousand (£'000).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

On 29 May 2020, Hy-Pro International Limited acquired 80% of the share capital of Zinctex, Inc., a company incorporated in the State of Washington, USA. The entity has not been consolidated on the basis that the Directors do not consider it to be material. The entity is to cease trading from September 2022 and the Directors have provided against the intercompany debtor in these financial statements.

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis which assumes that the Group and Company will continue in operational existence for the foreseeable future.

The Directors have reviewed cash flow forecasts for a period of not less than 12 months from the date of approval of the financial statements and are confident that the Group and Company will be able to pay its liabilities as they fall due. On this basis, the Directors consider it appropriate to prepare the financial statements on the going concern basis, having also considered the impact of COVID-19 and Brexit as disclosed in the Group Strategic Report.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Intangible assets

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

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

The estimated useful lives range as follows:

Software	-	4	years

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives range as follows:

L/term leasehold property	- 50	years
Motor vehicles	- 3	years
Computer equipment	- 4	years
Fixtures & fittings	- 4	years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Operating leases: the Group as lessee

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

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

2.12 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.14 Foreign currency translation

Functional and presentation currency

The Group's and Company's functional and presentational currency is £GBP.

Transactions and balances

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.15 Interest payable

Interest payable is charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2. Accounting policies (continued)

2.17 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.18 Borrowing costs

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

2.19 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

The critical judgements that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Stock provision
The Group and Company establishes a provision for stock that is slow moving, obsolete, or damaged. The Group and Company has identified which stock items should be provided for given its knowledge of the relevant inventory lines.

The Directors do not consider the depreciation of fixed assets or the recoverability of debtors to be a key area of judgement or estimate.

4. Turnover

Analysis of turnover by country of destination:

	2021 £000	2020 £000
United Kingdom	12,955	16,291
Rest of the world	9,770	2,239
	22,725	18,530

5. Operating profit

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

	2021 £000	2020 £000
Exchange differences	35	(5)
Depreciation of tangible fixed assets	79	51
Amortisation of intangible fixed assets	-	10

6. Auditor's remuneration

	2021 £000	2020 £000
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	28	20
Fees payable to the Group's auditor in respect of:		
All other services	6	6

7. Employees

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

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Wages and salaries	1,781	1,502	1,431	1,152
Social security costs	151	128	151	128
Cost of defined contribution scheme	24	20	24	20
	1,956	1,650	1,606	1,300

The average monthly number of employees, including the Directors, during the period was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Sales, distribution and administration	32	28	22	19

8. Directors' remuneration

	2021 £000	2020 £000
Directors' emoluments	577	278
Group contributions to defined contribution pension schemes	5	4
	582	282

During the period retirement benefits were accruing to 3 Directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £202k (2020 - £151k) plus pension contributions of £2k (2020 - £2k).

The Directors consider the key management personnel to be the Directors.

9. Interest payable and similar expenses

	2021 £000	2020 £000
Other loan interest payable	218	194

10. Taxation

	2021 £000	2020 £000
Corporation tax		
Current tax on profits for the year	330	104
Adjustments in respect of previous periods	(58)	(11)
	272	93
Foreign tax		
Foreign tax on income for the year	51	12
Total current tax	323	105
Deferred tax		
Origination and reversal of timing differences	14	4
Total deferred tax	14	4
Taxation on profit on ordinary activities	337	109

10. *Taxation (continued)*

Factors affecting tax charge for the year

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

	2021 £000	2020 £000
Profit on ordinary activities before tax	2,144	712
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	407	135
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(4)	(5)
Adjustments to tax charge in respect of prior periods	(58)	(11)
Other timing differences leading to an increase (decrease) in taxation	12	(4)
Effects of lower overseas tax rate	(3)	(1)
Deferred tax	(14)	4
Group relief	(3)	(9)
Total tax charge for the period/year	337	109

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

In September 2022 the Government announced that the tax rate would be remaining at 19%.

11. Dividends

	2021 £000	2020 £000
Dividends paid £10.86 per Ordinary share (2020 - £12.80)	1,330	1,600

12. Intangible assets

Group and Company

	Software £000
Cost	
At 1 January 2021	94
At 31 December 2021	94
Amortisation	
At 1 January 2021	94
At 31 December 2021	94
Net book value	
At 31 December 2021	-
At 31 December 2020	-

All of the Group's intangible fixed assets are held in the Parent company.

Amortisation is charged to the administrative expenses in the Consolidated Statement of Comprehensive Income.

13. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the period/year was £1,237k (2020 - £558k).

14. Tangible fixed assets

Group

	L/Term Leasehold Property £000	Motor vehicles £000	Fixtures & fittings £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 January 2021	1,454	51	258	211	1,974
Additions	12	-	8	10	30
At 31 December 2021	1,466	51	266	221	2,004
Depreciation					
At 1 January 2021	245	4	185	175	609
Charge for the period	14	12	25	28	79
At 31 December 2021	259	16	210	203	688
Net book value					
At 31 December 2021	1,207	35	56	18	1,316
At 31 December 2020	1,209	47	73	36	1,365

14. Tangible fixed assets (continued)

Company

	L/Term leasehold property £000	Motor vehicles £000	Computer equipment £000	Fixtures & fittings £000	Total £000
Cost or valuation					
At 1 January 2021	1,453	51	178	156	1,838
Additions	12	-	10	8	30
At 31 December 2021	1,465	51	188	164	1,868
Depreciation					
At 1 January 2021	245	4	142	116	507
Charge for the period	14	12	28	15	69
At 31 December 2021	259	16	170	131	576
Net book value					
At 31 December 2021	1,206	35	18	33	1,292
At 31 December 2020	1,208	47	36	40	1,331

15. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Hy-Pro Asia Limited (1)	Ordinary	100%	Trading in sports and toy products
Radial Cycles Limited (2)	Ordinary	100%	Dormant

Name	Registered office
Hy-Pro Asia Limited	Unit 16-37, 5/F, Beverly Commercial Centre, 87-105 Chattam Road South, Tsium Sha Tsui, Hong Kong
Radial Cycles Limited	Hy-Pro House Centrus Park Arenson Way, Houghton Regis, Dunstable, Bedfordshire, LU5 5BN

(1) The Company holds 100% of the share capital of Hy-Pro Asia Limited which has a nominal value of KH$2 (approximately £0.20).

(2) On 1 January 2019, 100% of the share capital of Radial Cycles Limited was acquired by the Company. Radial Cycles Limited was a 100% subsidiary of the parent company, Hy-Pro Group Limited, during the year ended 31 December 2018.

With effect from 1 January 2019, the Directors approved that the trade and balance sheet of the subsidiary, Radial Cycles Limited, would be hived up into Hy-Pro International Limited at book value.

On 29 May 2020, Hy-Pro International Limited acquired 80% of the share capital of Zinctex, Inc., a company incorporated in the State of Washington, USA. The entity has not been consolidated on the basis that the Directors do not consider it to be material. The entity is to cease trading from September 2022 and the Directors have provided against the intercompany debtor in these financial statements.

16. Stocks

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Finished goods and goods for resale	1,700	1,611	1,700	1,611

Stock recognised in cost of sales during the year as an expense was £5,098k (2020 - £4,684k) for the Company and £12,186k (2020 - £13,434k) for the Group.

The movement in the stock provision was an expense of £367k (2020 - £155k). The provision is made against slow-moving and obsolete stock (refer to note 3).

17. Debtors

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade debtors	5,982	4,577	5,199	1,864
Amounts owed by group undertakings	8,277	7,890	8,232	7,844
Amounts owed by related parties (note 29)	212	1,845	212	1,510
Other debtors	17	14	17	14
Prepayments and accrued income	435	767	323	335
Tax recoverable	-	139	-	-
Deferred taxation	-	4	-	4
	14,923	15,236	13,983	11,571

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

18. Cash and cash equivalents

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Cash at bank and in hand	5,624	3,658	5,061	3,462
Less: Bank overdrafts and invoice finance (note 18)	(6,489)	(2,391)	(6,489)	(2,391)
	(865)	1,267	(1,428)	1,071

19. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank overdrafts and invoice finance	6,489	2,391	6,489	2,391
Bank loans	1,735	3,929	1,725	2,911
Trade creditors	1,066	1,722	962	1,146
Amounts owed to group undertakings	-	-	6,706	4,877
Amounts owed to related parties (note 29)	19	-	19	-
Corporation tax	395	138	330	138
Other taxation and social security	531	239	531	239
Other creditors	40	29	-	2
Accruals and deferred income	1,803	2,143	528	1,161
	12,078	10,591	17,290	12,865

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

20. Creditors: Amounts falling due after more than one year

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank loans	3,469	3,750	3,469	3,750

21. Bank loans

The bank loans, bank overdrafts and invoice financing are secured by fixed and floating charges over the group's assets and over leasehold premises.

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Amounts falling due within one year				
Bank loans	1,735	3,929	1,725	2,911
	1,735	3,929	1,725	2,911
Amounts falling due 1-2 years				
Bank loans	2,000	2,000	2,000	2,000
	2,000	2,000	2,000	2,000
Amounts falling due 2-5 years				
Bank loans	1,469	1,750	1,469	1,750
	1,469	1,750	1,469	1,750
	5,204	7,679	5,194	6,661

22. Financial instruments

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Financial assets				
Financial assets measured at fair value through profit or loss	5,624	3,658	5,061	3,462
Financial assets that are debt instruments measured at amortised cost	14,488	14,326	13,660	11,232
	20,112	17,984	18,721	14,694
Financial liabilities				
Financial liabilities measured at amortised cost	(11,133)	(11,573)	(16,410)	(13,847)

Financial assets measured at fair value through profit or loss comprise of cash and cash equivalents.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, amounts owed to related parties and other debtors.

Financial liabilities measured at amortised cost comprise of bank overdrafts and invoice finance, bank loans, trade creditors, amounts owed to group undertakings, other creditors and accruals.

23. Deferred taxation

Group

	2021 £000	2020 £000
At beginning of year	4	8
Charged to profit or loss	(14)	(4)
At end of year	(10)	4

23. Deferred taxation (continued)

Company

	2021 £000	2020 £000
At beginning of year	4	8
Charged to profit or loss	(14)	(4)
At end of year	(10)	4

The deferred taxation balance is made up as follows:

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Losses and other deductions	(10)	4	(10)	4

The Group has recognised a deferred tax asset in respect of all timing differences.

24. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
123,711 (2020 - 123,711) Ordinary shares of £1.00 each	124	124
1,000 (2020 - 1,000) Ordinary Growth shares of £1.00 each	1	1
	125	125

Each Ordinary share has a voting right attached but no right to fixed income.

25. Reserves

Share premium represents the excess paid for share capital.

Retained earnings represents cumulative profits and losses of the Group / Company.

Merger reserve represents the net liabilities acquired upon the hive up of Radial Cycles Limited. (Refer to note 15)

26. Contingent liabilities

A guarantee has been given by HSBC on behalf of the Company to a supplier in the amount of €80k (2020 - €80k) in respect of future royalty payments.

Hy-Pro International Limited has given guarantees totalling $12 million HKD (2020 - $12 million HKD) to HSBC on behalf of Hy-Pro Asia Limited as security for loans made by HSBC.

A guarantee exists in favour of HM Revenue & Customs in the amount of £40k (2020 - £40k) as security for taxation payments that may become due.

A cross guarantee was in place at the year end between Hy-Pro International Limited and Hy-Pro Group Limited.

27. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Not later than 1 year	111	76	61	26
Later than 1 year and not later than 5 years	80	66	37	23
	191	142	98	49

28. Other financial commitments

At the year end, the Group and Company had £1,160k (2020 - £1,944k) of committed orders with its suppliers.

29. Related party transactions

The Group has taken advantage of the exemption conferred by Section 33 of FRS 102 not to disclose transactions with fellow members where 100% of the voting rights are controlled within the Group.

Jaxamo Holdings Limited and its subsidiaries, Jaxamo UK Limited and Jaxjox Inc. are a group with common Directors. During the year, the Group made sales and other related charges totalling £109k (2020 - £446k) to the Jaxamo Holdings Limited group. During the year, the Group made purchases totalling £NIL (2020 - £204k) from the Jaxamo Holdings Limited group. At the year end, this group was owed by the Company £18k (2020 - owed to the Company £1,510k) and the Group £18k (2020 - owed to the Group £1,845k). During the prior year, the parent company Hy-Pro Group Limited purchased share capital to hold an investment (under 20%) in the Jaxamo Holdings Limited group.

Elektrik Mobility Limited is a company with common Directors. During the year, the Company and Group paid invoices on behalf of the entity totalling £212k (2020 - £NIL) which will be repaid. The amount owed to the Company and Group was £212k at the year end (2020 - £NIL).

During the year, the Company was charged £24k (2020 - £15k) and owed at the year end £2k (2020 - £NIL) to Brendon Street Investments Limited, a company in which N Wray is a Director.

During the year, the Company paid £25k (2020 - £45k) of marketing and owed at the year end £25k (2020 - £Nil) to Saracens Limited, a company in which N Wray is a Director.

30. Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

31. Ultimate parent company and controlling party

The immediate and ultimate parent is Hy-Pro Group Limited, an entity incorporated in Jersey where accounts are not publicly available.

There is not deemed to be a single controlling party.