

**DIPSTICKS RESEARCH LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2023**

**DIPSTICKS RESEARCH LIMITED**  
**REGISTERED NUMBER: 03752827**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	5	51,454	23,236
		<u>51,454</u>	<u>23,236</u>
<b>Current assets</b>			
Stocks		-	2,017
Debtors: amounts falling due within one year	6	3,899,166	3,702,994
Cash at bank and in hand	7	139,468	100,465
		<u>4,038,634</u>	<u>3,805,476</u>
Creditors: amounts falling due within one year	8	(1,078,534)	(1,012,351)
<b>Net current assets</b>		<u>2,960,100</u>	<u>2,793,125</u>
<b>Total assets less current liabilities</b>		<u>3,011,554</u>	<u>2,816,361</u>
Creditors: amounts falling due after more than one year		(27,852)	-
<b>Provisions for liabilities</b>			
Deferred tax		(11,062)	(2,810)
		<u>(11,062)</u>	<u>(2,810)</u>
<b>Net assets</b>		<u><u>2,972,640</u></u>	<u><u>2,813,551</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account		2,972,540	2,813,451
		<u><u>2,972,640</u></u>	<u><u>2,813,551</u></u>

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**DIPSTICKS RESEARCH LIMITED**  
**REGISTERED NUMBER: 03752827**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 July 2023.

**Mr D Barnes**  
Director

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**1. General information**

Dipsticks Research Limited is a private limited company limited by shares and incorporated in England & Wales with company registration number 03752827. The registered office is located at The Mill, Hexham Business Park, Burn Lane, Hexham, Northumberland, NE46 3RU.

**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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

**2.2 Going concern**

The company has net current assets as disclosed on the balance sheet and remains profitable. At the time of approving the financial statements and after giving due consideration to the possible effects of the COVID-19 pandemic, the directors have a reasonable expectation that the company will have adequate resources to continue to trade for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis when preparing the annual report and accounts.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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:

**Rendering of services**

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

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

**2.4 Operating leases: the Company as lessee**

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

**2.5 Interest income**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.6 Finance costs**

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

**2.7 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Company in independently administered funds.

**2.8 Current and deferred taxation**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

**2.9 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**2. Accounting policies (continued)**

**2.10 Development costs**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**2.11 Tangible fixed assets**

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	10%
Computer equipment	-	25%

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.12 Stocks**

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

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

**2.13 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.

**2.14 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**2. Accounting policies (continued)**

**2.15 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.

**2.16 Provisions for liabilities**

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

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

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

**2.17 Financial instruments**

The Company 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.

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

**2.18 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.

**3. Employees**

The average monthly number of employees, including directors, during the year was 44 (2022 - 43).

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DIPSTICKS RESEARCH LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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4. Intangible assets

	Patents £	Goodwill £	Total £
<b>Cost</b>			
At 1 April 2022	400	63,200	63,600
At 31 March 2023	400	63,200	63,600
<b>Amortisation</b>			
At 1 April 2022	400	63,200	63,600
At 31 March 2023	400	63,200	63,600
<b>Net book value</b>			
At 31 March 2023	-	-	-
<b>At 31 March 2022</b>	-	-	-



**DIPSTICKS RESEARCH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**5. Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2022	11,326	702,150	713,476
Additions	-	42,443	42,443
At 31 March 2023	11,326	744,593	755,919
<b>Depreciation</b>			
At 1 April 2022	10,396	679,844	690,240
Charge for the year on owned assets	189	14,036	14,225
At 31 March 2023	10,585	693,880	704,465
<b>Net book value</b>			
At 31 March 2023	741	50,713	51,454
<b>At 31 March 2022</b>	930	22,306	23,236

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2023 £	2022 £
Furniture, fittings and equipment	36,573	-
	36,573	-

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DIPSTICKS RESEARCH LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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6. Debtors

	2023 £	2022 £
Trade debtors	787,368	842,208
Amounts owed by joint ventures and associated undertakings	111,851	93,116
Other debtors	2,925,659	2,680,964
Prepayments and accrued income	74,288	86,706
	<u>3,899,166</u>	<u>3,702,994</u>

7. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	139,468	100,465
	<u>139,468</u>	<u>100,465</u>

**DIPSTICKS RESEARCH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**8. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	174,273	155,285
Corporation tax	298,469	245,248
Other taxation and social security	153,139	172,485
Obligations under finance lease and hire purchase contracts	8,514	-
Other creditors	298,102	325,583
Accruals and deferred income	146,037	113,750
	<u>1,078,534</u>	<u>1,012,351</u>

The following liabilities were secured:

	2023 £	2022 £
Obligations under finance lease and hire purchase contracts	8,514	-
	<u>8,514</u>	<u>-</u>

Details of security provided:

Net obligations under hire purchase contracts are secured on the assets being financed.

**9. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Net obligations under finance leases and hire purchase contracts	27,852	-
	<u>27,852</u>	<u>-</u>

The following liabilities were secured:

	2023 £	2022 £
Net obligations under finance leases and hire purchase contracts	27,852	-
	<u>27,852</u>	<u>-</u>

Details of security provided:

Net obligations under hire purchase contracts are secured on the assets being financed.

**DIPSTICKS RESEARCH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**10. Share capital**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
800 (2022 - 800) Ordinary shares of £0.10 each	<b>80.00</b>	80.00
4 (2022 - 4) Ordinary A shares of £0.10 each	<b>0.40</b>	0.40
200 (2022 - 200) Ordinary B shares of £0.10 each	<b>20.00</b>	20.00
	<u><b>100.40</b></u>	<u>100.40</u>

**11. Share-based payments**

Options have been granted under the company's Enterprise Management Incentives share option scheme. The options can be exercised at the time of disposal of the company's shares.

	<b>Weighted average exercise price (pence) 2023</b>	<b>Number 2023</b>	<i>Weighted average exercise price (pence) 2022</i>	<i>Number 2022</i>
Outstanding at the beginning of the year	<b>491.75</b>	<b>32</b>	428.54	21
Granted during the year	-	-	612.41	11
Forfeited during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u><b>497.75</b></u>	<u><b>32</b></u>	<u>491.75</u>	<u>32</u>

<b>2023</b>	<b>2022</b>
<b>£</b>	<b>£</b>
<u>-</u>	<u>-</u>

**12. Related party transactions**

Dividends totalling £240,000 (2022: £240,000) were paid in the year in respect of shares held by the company's directors.

Unsecured loans have been granted by the company to its directors on which interest was charged at 2.0%. The amount owed by the directors to the company at the year end totalled £2,350,085 (2022: £2,105,890), which was also the maximum amount outstanding during the year.



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