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**PLEXTEK SERVICES LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

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**PLEXTEK SERVICES LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	C R Smithers I A Murphy T Jackson N Hill
<b>Company secretary</b>	S Seacombe
<b>Registered number</b>	09826669
<b>Registered office</b>	The Plextek Building London Road Great Chesterford Saffron Walden United Kingdom CB10 1NY
<b>Independent auditor</b>	Grant Thornton UK LLP 101 Cambridge Science Park Milton Road Cambridge Cambridgeshire CB4 0FY
<b>Bankers</b>	Lloyds Bank plc Chivers Way Histon Cambridgeshire CB24 9ZR

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**PLEXTEK SERVICES LIMITED**

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## PLEXTEK SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

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#### Introduction

Plextek Services Limited ("Plextek") is a premier provider of bespoke design and engineering services for advanced sensing, communications and data exploitation products and systems. We give our customers a decisive edge by building exceptional technology into their products and services. The needs of these customers are supported through our flexibility of pace and process across markets from consumer to healthcare, security and aerospace.

#### Business review

2019/20 was a successful year for Plextek with a large number of projects and consistent high utilisation. The 92 projects implemented ranged in size from a few thousand pounds to over £1m, reflecting our ability to deliver both fast 'look see' investigations and also complex, multi-disciplinary, critical systems.

Evolving Plextek to deliver better results both internally and for our clients has been a focus: we invested time and resource into streamlining our priorities, developing new business areas and investigating growing technology markets. Our results reflect this better utilisation of resource and reprioritisation work.

2019/20 saw us launch two new brands within the Plextek portfolio. A new business unit, 'Ignite Exponential' (IEX), provides innovation strategy and product design services. IEX will be able to leverage the engineering and technology expertise already present in Plextek, while providing exciting new front-end services to an expanded range of customers. IEX made a promising start, with initial recruitment of key staff members, commencement of work on a dedicated customer workshop facility, engagement with high-profile customers and achievement of its first-year sales and revenue targets.

2019/20 also saw the creation of 'Plextek DTS', which is the brand and focus for our successful defence business. DTS was launched with extremely positive market response at DSEI 2019, the largest international annual defence event. An internal restructuring gives DTS the flexibility to grow its staff, develop its technical capability and align its sales and marketing approach to best support the needs of its specialist customers in the defence industry.

In addition to the new brands, we have focused on new market sectors within our central Plextek business, aligning the development of our organisation with the evolution of our client and technology landscapes. This increases our ability to deliver work within markets such as utilities, transport, smart cities and industrial automation.

We continue to see strong performance in our 'design and supply' business, which primarily services the needs of manufacturing high performance, aerospace technology.

We have been working to grow our international business and closed the year positively with a multi million US\$ deal for a complex security system with a Middle Eastern customer.

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**PLEXTEK SERVICES LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Principal risks and uncertainties**

The coronavirus outbreak started to impact us in the last month of the financial year. During March 2020 we accelerated existing plans for IT infrastructure to better support remote working. We were under heavy project load at the time but moved the majority of our staff to homeworking without impacting our project timescales. Since then we have introduced a system that enables our staff to mix laboratory and home working effectively, and we continue to explore ways of maximising efficiency in project delivery.

The abrupt cancellation of all live conferences in March 2020 had an impact on one of our principal methods of lead generation in new markets, so we have been working hard to optimise the alternative approaches we have available. This was assisted by the very strong order book at the start of 2020/21, which gave us several months in which to refocus our sales and marketing activities. It was also helped by our defence business, which is largely driven by government contracts, which were relatively immune to the effects of lockdown and the economic downturn.

The ongoing uncertainty over Brexit has the potential to cause a significant economic impact and disrupt international supply chains. Since the Brexit vote we have taken action to mitigate the foreseeable challenges arising from this, such as ensuring that we and our key suppliers have appropriate plans in place for maintaining the integrity of the supply chain.

We have considered the impact of the coronavirus and Brexit on going concern and our findings are disclosed in note 2.2 to the financial statements.

**Financial key performance indicators**

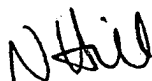
The key performance indicators on which the business is assessed are turnover and operating profit.

In 2019/20, the end of several large long-term projects coincided, which has impacted our turnover. However, as we enjoy an extremely high retention rate with existing clients, this is not seen as a significant long-term issue. In the current year, the business has performed well, with turnover of £10.4m and operating profit of £1.2m.

Other key performance indicators used include total headcount (6% increase on prior year) and number of new clients won (16 in the current year).

This report was approved by the board on 18 January 2021 and signed on its behalf.

**N Hill**  
Director



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## PLEXTEK SERVICES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

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The directors present their report and the financial statements for the year ended 31 March 2020.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial 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 of the profit or loss of the Company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,279,800 (2019 - £1,265,228).

The directors do not recommend the payment of a dividend (2019 - £nil)

After the year end a dividend of £67,500 was declared and paid on the Ordinary "A" shares.

#### **Directors**

The directors who served during the year and to date of this report were:

C R Smithers  
I A Murphy  
T Jackson  
N Hill

#### **Future developments**

We will continue to pursue the existing strategies for growing the business and increasing profitability. We will also be putting into place plans for an expansion of the types of services that we offer, with a view to capturing business in additional market sectors.

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**PLEXTEK SERVICES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Changes to share capital**

After the year end the company repurchased 215,903 Ordinary "B" shares at par value, and issued a further 97,763 Ordinary "B" shares, also at par value.

**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'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's auditor is aware of that information.

**Post balance sheet events**


The directors consider covid-19 to be an adjusting event.

After the year end the impact of the coronavirus outbreak became clear. The directors have reviewed the carrying value of assets and liabilities at the balance sheet date and have adjusted these where they consider it appropriate to do so.

**Auditor**

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

This report was approved by the board on 18 January 2021 and signed on its behalf.



N Hill  
Director

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## PLEXTEK SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLEXTEK SERVICES LIMITED

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#### Opinion

We have audited the financial statements of Plextek Services Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



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## PLEXTEK SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLEXTEK SERVICES LIMITED (CONTINUED)

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#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

#### 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 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 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 Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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## PLEXTEK SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLEXTEK SERVICES LIMITED (CONTINUED)

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#### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 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 for the financial statements**

As explained more fully in the Directors' responsibilities statement 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 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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**PLEXTEK SERVICES LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLEXTEK SERVICES LIMITED  
(CONTINUED)**

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**Use of our report**

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.

*Grant Thornton UK LLP*

Adam Smith BA (Hons) BFP FCA  
(Senior statutory auditor)

for and on behalf of  
**Grant Thornton UK LLP**

101 Cambridge Science Park  
Milton Road  
Cambridge  
Cambridgeshire  
CB4 0FY

Date: *19 January 2021*

**PLEXTEK SERVICES LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Turnover	4	10,355,732	11,340,232
Cost of sales		(4,240,221)	(5,431,138)
<b>Gross profit</b>		<b>6,115,511</b>	<b>5,909,094</b>
Administrative expenses		(4,922,683)	(4,510,170)
<b>Operating profit</b>		<b>1,192,828</b>	<b>1,398,924</b>
Interest receivable and similar income		17,542	31,049
Interest payable and similar charges		-	(112)
<b>Profit before tax</b>		<b>1,210,370</b>	<b>1,429,861</b>
Tax on profit	10	69,430	(164,633)
<b>Profit for the financial year being total comprehensive income for the year</b>		<b>1,279,800</b>	<b>1,265,228</b>

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 15 to 31 form part of these financial statements.

**PLEXTEK SERVICES LIMITED**  
**REGISTERED NUMBER: 09826669**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	132,979	117,125
<b>Current assets</b>			
Stocks	13	1,146,381	1,448,885
Debtors: amounts falling due after more than one year	14	610,090	785,000
Debtors: amounts falling due within one year	14	3,495,360	3,167,095
Cash at bank and in hand	15	2,367,435	2,507,085
		<u>7,619,266</u>	<u>7,908,065</u>
Creditors: amounts falling due within one year	16	(2,991,202)	(4,398,290)
<b>Net current assets</b>		<u>4,628,064</u>	<u>3,509,775</u>
<b>Total assets less current liabilities</b>		<u>4,761,043</u>	<u>3,626,900</u>
<b>Provision for liabilities</b>			
Warranty provisions	19	(80,387)	(109,513)
		<u>(80,387)</u>	<u>(109,513)</u>
<b>Net assets</b>		<u><u>4,680,656</u></u>	<u><u>3,517,387</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	3,853	3,853
Share premium account	21	455,631	455,631
Other reserves	21	246,212	212,743
Profit and loss account	21	3,974,960	2,845,160
		<u><u>4,680,656</u></u>	<u><u>3,517,387</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 January 2021.



**N Hill**  
Director

The notes on pages 15 to 31 form part of these financial statements.

**PLEXTEK SERVICES LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Share premium account	Share based payment reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2019	3,853	455,631	212,743	2,845,160	3,517,387
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	1,279,800	1,279,800
Dividends (see note 11)	-	-	-	(150,000)	(150,000)
Credit to equity for share based payments	-	-	33,469	-	33,469
<b>Total transactions with owners</b>	-	-	33,469	(150,000)	(116,531)
<b>At 31 March 2020</b>	<b>3,853</b>	<b>455,631</b>	<b>246,212</b>	<b>3,974,960</b>	<b>4,680,656</b>

The notes on pages 15 to 31 form part of these financial statements.

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**PLEXTEK SERVICES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

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	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2018	3,853	455,631	129,525	1,579,932	2,168,941
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	1,265,228	1,265,228
Credit to equity for shared based payments	-	-	83,218	-	83,218
<b>Total transactions with owners</b>	-	-	83,218	-	83,218
<b>At 31 March 2019</b>	<b>3,853</b>	<b>455,631</b>	<b>212,743</b>	<b>2,845,160</b>	<b>3,517,387</b>

The notes on pages 15 to 31 form part of these financial statements.

**PLEXTEK SERVICES LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,279,800	1,265,228
<b>Adjustments for:</b>		
Depreciation of tangible assets	100,260	74,111
Interest payable and similar charges	-	112
Interest receivable and similar income	(17,542)	(31,049)
Taxation charge	(69,430)	164,633
Decrease/(increase) in stocks	302,504	(298,506)
(Increase)/decrease in debtors	(535,405)	480,949
Decrease in amounts owed by associates	455,214	28,076
(Decrease) in creditors	(1,280,215)	(12,834)
Corporation tax paid	(130,607)	(109,618)
Adjustment for share based payment	33,469	83,218
(Decrease)/increase in provisions	(29,126)	34,459
<b>Net cash generated from operating activities</b>	<b>108,922</b>	<b>1,678,779</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(116,114)	(95,608)
Interest received	17,542	31,049
<b>Net cash (used)/generated from investing activities</b>	<b>(98,572)</b>	<b>(64,559)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(150,000)	-
Interest paid	-	(112)
<b>Net cash used in financing activities</b>	<b>(150,000)</b>	<b>(112)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(139,650)</b>	<b>1,614,108</b>
Cash and cash equivalents at beginning of year	2,507,085	892,977
<b>Cash and cash equivalents at the end of year</b>	<b>2,367,435</b>	<b>2,507,085</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	2,367,435	2,507,085

The notes on pages 15 to 31 form part of these financial statements.



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**PLEXTEK SERVICES LIMITED**

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**ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2020**

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	<b>At 1 April 2019 £</b>	<b>Cash flows £</b>	<b>At 31 March 2020 £</b>
Cash at bank and in hand	<b>2,507,085</b>	<b>(139,650)</b>	<b>2,367,435</b>

The notes on pages 15 to 31 form part of these financial statements.

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## PLEXTEK SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 1. General information

Plextek Services Limited is a company limited by shares incorporated in England and Wales. The registered office is The Plextek Building, London Road, Great Chesterford, Saffron Walden, United Kingdom, CB10 1NY.

The Company's principal activity is that of a premier provider of bespoke design and engineering services for advanced sensing, communications and data exploitation products and systems.

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

The following principal accounting policies have been applied:

##### 2.2 Going concern

As the effect of the coronavirus outbreak became clear the directors considered the consequences to the trading activities of the company and how this would impact going concern.

The directors reviewed the current and projected cash reserves, the current level of sales order cover and the effect on the ability of the company to win new work. The directors also considered the challenges posed to the operational aspects of the company as a result of changes due to the coronavirus. They do not consider this to be a significant concern due to the robust systems put in place to allow remote working.

At the year end, the company had net assets of £4,680,656. The directors' review covered the cash flow requirements and forecasts of the business for a period of at least 12 months from the date of approval of these financial statements. These indicate that the company will have sufficient funds to meet its liabilities as they fall due for that period. Therefore, the directors consider the use of the going concern basis to be appropriate for the preparation of the financial statements as at 31 March 2020.

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.3 Foreign currency translation**

**Functional and presentation currency**

The 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.

**2.4 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:

**Sale of goods**

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company 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 Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

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

- the amount of revenue can be measured reliably;
- it is probable that the 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.

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.5 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.6 Interest income**

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

**2.7 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.

**2.8 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 Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.9 Share based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

**2.10 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 by the reporting 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 Statement of financial position 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 reporting date.

**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.

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.11 Tangible fixed assets (continued)**

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:

Plant and machinery	-	33%
Computer equipment	-	33%

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 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.

**2.13 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.

In the 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 Company's cash management.

**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.

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## PLEXTEK SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2. Accounting policies (continued)

##### 2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

##### 2.17 Provision 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 Statement of financial position 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 Statement of financial position.

##### 2.18 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.

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.

##### 2.19 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.

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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

The most significant judgements made in these financial statements relate to the recognition of revenue recoverable on long term contracts and the recoverability of debts.

Estimates relating to contract completion are based on detailed project-by-project forecasts. Based on these forecasts, the directors are satisfied that revenue is appropriately recognised.

The business assesses the valuation of stock held on a regular basis and the directors are satisfied that the amounts disclosed in the accounts are appropriate. During the year impairment losses totalling £40,595 (2019: £20,741) were recognised in the statement of comprehensive income.

The business assesses the recoverability of their debtors on a regular basis and the directors are satisfied that the amounts disclosed in the accounts are recoverable. During the year, £NIL was provided for (2019 - £NIL) against bad or slow-paying debts, leaving a provision of £NIL (2019 - £NIL) at the year end.

A provision has been made in relation to warranties on product sold. The calculation of this provision requires the directors to make judgements relating to potential value and likelihood of the future costs relating to these warranties. An amount of £29,126 was released (2019 - £34,459 recognised) to the Statement of comprehensive income during the year.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Design and consultancy	7,524,681	9,215,274
Manufacturing Services	2,831,051	2,124,958
	<u>10,355,732</u>	<u>11,340,232</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	9,398,798	9,961,893
Asia Pacific	721,799	1,265,028
Rest of World	235,135	113,311
	<u>10,355,732</u>	<u>11,340,232</u>



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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**5. Operating profit**

The operating profit is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Research & development charged as an expense	<b>35,189</b>	<b>8,217</b>
Net foreign exchange losses	<b>3,311</b>	<b>1,635</b>
Depreciation charge on tangible assets	<b>100,260</b>	<b>74,111</b>
	<b><u>138,760</u></b>	<b><u>83,963</u></b>

**6. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<b>24,500</b>	<b>20,500</b>
	<b><u>24,500</u></b>	<b><u>20,500</u></b>

**Fees payable to the Company's auditor and its associates in respect of:**

Taxation compliance services	<b>8,200</b>	<b>4,275</b>
IXBRL tagging service	<b>110</b>	<b>200</b>
	<b><u>8,310</u></b>	<b><u>4,475</u></b>

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**7. Employees**

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

	2020 £	2019 £
Wages and salaries	3,883,616	4,005,351
Social security costs	468,425	490,119
Cost of defined contribution scheme	760,608	587,806
Share based payment	23,668	53,986
	<u>5,136,317</u>	<u>5,137,262</u>

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

	2020 No.	2019 No.
Engineering, design and consultancy	56	57
Management and administration	11	7
Sales and marketing	9	8
	<u>76</u>	<u>72</u>

**8. Directors' remuneration**

	2020 £	2019 £
Directors' emoluments	228,092	197,437
Company contributions to defined contribution pension schemes	10,125	24,568
	<u>238,217</u>	<u>222,005</u>

During the year retirement benefits were accruing to 1 director (2019 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £228,092 (2019 - £197,437).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,125 (2019 - £24,568).

During the year 1 director received shares under the long term incentive schemes (2019 - 1).

The total remuneration paid to key management personnel was £283,006 (2019 - £277,146).

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PLEXTEK SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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9. Interest receivable and similar income

	2020 £	2019 £
Interest receivable on associated company loans	17,542	31,049

10. Taxation

	2020 £	2019 £
<b>Current tax</b>		
UK Corporation tax on profit for the year	181,270	261,803
Adjustments in respect of previous years	(298,438)	(121,167)
<b>Total current tax</b>	<b>(117,168)</b>	<b>140,636</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	60,356	11,019
Adjustments in respect of prior years	472	12,978
Difference due to change in opening tax rate	(13,090)	-
<b>Total deferred tax</b>	<b>47,738</b>	<b>23,997</b>
<b>Taxation on profit on ordinary activities</b>	<b>(69,430)</b>	<b>164,633</b>

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PLEXTEK SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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10. Taxation (continued)

**Factors affecting tax (credit)/charge for the year**

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>1,210,370</u>	<u>1,429,861</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	229,970	271,674
Effects of:		
Expenses not deductible for tax purposes	11,656	2,445
Tax rate adjustment	(13,090)	(1,297)
Adjustments in respect of prior years	(297,966)	(108,189)
<b>Total tax (credit)/charge for the year</b>	<u>(69,430)</u>	<u>164,633</u>

**Factors that may affect future tax charges**

£68,508 (2019 - £103,274) of the deferred tax asset is expected to reverse in the year ended 31 March 2020. The remaining £(4,509) (2019 - £8,463) is expected to reverse in 2-5 years.

The current corporation tax rate of 19% is not expected to change in the tax years beginning 1 April 2020 and 1 April 2021.

11. Dividends

	2020 £	2019 £
Dividends paid on Ordinary 'A' shares	<u>150,000</u>	<u>-</u>

After the year end the company declared and paid a further dividend of £67,500 on the Ordinary "A" shares.

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PLEXTEK SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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12. Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2019	303,468	45,127	348,595
Additions	76,281	39,833	116,114
At 31 March 2020	379,749	84,960	464,709
<b>Depreciation</b>			
At 1 April 2019	196,701	34,769	231,470
Charge for the year	78,666	21,594	100,260
At 31 March 2020	275,367	56,363	331,730
<b>Net book value</b>			
At 31 March 2020	104,382	28,597	132,979
At 31 March 2019	106,767	10,358	117,125

**PLEXTEK SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**13. Stocks**

	2020 £	2019 £
Raw materials and consumables	537,901	1,152,055
Work in progress	430,623	208,624
Finished goods and goods for resale	177,857	88,206
	<u>1,146,381</u>	<u>1,448,885</u>

Stock recognised in cost of sales during the year as an expense in the financial statements was £956,042 (2019 - £751,692)

The carrying value of stocks are stated net of impairment losses totalling £100,387 (2019 - £59,792). Impairment losses totalling £40,595 (2019 - £20,741) were recognised in the statement of comprehensive income.

**14. Debtors**

	2020 £	2019 £
<b>Due after more than one year</b>		
Amounts owed by associated undertakings	<u>610,090</u>	<u>785,000</u>

Included in amounts due after more than one year is a loan due from Blighter Surveillance Systems Limited of £198,000. This is repayable by 31 December 2022 and carries interest at a rate of 6% over the Bank of England base rate, increasing at 3% per annum up to a maximum of 12%.

Also included in amounts due after more than one year is a loan due from Redtail Telematics Limited of £412,090. This is repayable by 31 October 2024 and carries interest at a rate of 3% over the Bank of England base rate, increasing at 3% per annum up to a maximum of 12%.

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	2,261,442	1,561,490
Amounts owed by associated undertakings	377,185	628,112
Other debtors	25	60
Prepayments and accrued income	87,488	59,542
Amounts recoverable on long term contracts	601,936	806,154
Corporation tax receivable	103,285	-
Deferred tax asset (see note 18)	63,999	111,737
	<u>3,495,360</u>	<u>3,167,095</u>

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**15. Cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	<u>2,367,435</u>	<u>2,507,085</u>

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

	2020 £	2019 £
Trade creditors	202,782	122,534
Amounts owed to associated undertakings	17,617	-
Corporation tax payable	-	144,490
Other taxation and social security	846,226	378,840
Other creditors	293,215	248,502
Accruals and deferred income	1,631,362	3,503,924
	<u>2,991,202</u>	<u>4,398,290</u>

**17. Financial instruments**

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>6,302,900</u>	<u>6,287,901</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(943,273)</u>	<u>(1,553,879)</u>

Financial assets that are measured at amortised cost comprise all debtors and cash, excluding prepayments and deferred tax asset.

Financial liabilities measured at amortised cost comprise all creditors excluding tax and social security creditors and deferred income.

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PLEXTEK SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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**18. Deferred taxation**

	£
At beginning of year	111,737
Charged to profit or loss	(47,738)
<b>At end of year</b>	<b>63,999</b>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(4,509)	(3,836)
Short term timing differences	68,508	115,573
	<b>63,999</b>	<b>111,737</b>

**19. Provision for liabilities**

	<b>Warranty Provision £</b>
At 1 April 2019	109,513
Credit to profit or loss	(29,126)
<b>At 31 March 2020</b>	<b>80,387</b>

Amounts charged to profit and loss represent an estimate of future warranty costs for manufacturing services, relating to products shipped by 31 March 2020. This provision is expected to be used, if required, over the next 24 months.



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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**20. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
36,000,000 (2019 - 36,000,000) Ordinary "A" shares of £0.0001 each	3,600	3,600
2,313,928 (2019 - 2,313,928) Ordinary "B" shares of £0.0001 each	231	231
217,907 (2019 - 217,907) Ordinary "C" shares of £0.0001 each	22	22
	<hr/> 3,853	<hr/> 3,853

After the year end the company repurchased 215,903 Ordinary "B" shares at par value, and issued a further 97,763 Ordinary "B" shares, also at par value.

**21. Reserves**

**Share premium account**

The share premium account represents the excess value over and above the nominal value of the share capital of the trade and assets acquired on the transfer of the business into Plextek Services Limited.

**Other reserves**

The share based payment reserve is for movements in respect of share options granted. Please see note 22 for details of share options granted in the year and outstanding at the year end.

**Profit and loss account**

This includes all current and prior year retained profits and losses less dividends paid.

**22. Share based payments**

During the year ended 31 March 2018, Plextek Services Limited granted 5,798,191 share options to employees and non-employees. Of these, 2,770,651 options vested immediately, with the remaining 3,027,540 options vesting throughout the following four years. Based on the assumptions detailed below, a share based payment charge of £33,469 (2019 - £83,218) has been recognised in operating expenses in the current year, of which £23,668 (2019 - £53,986) has been recognised in employee costs. The remaining £9,801 (2019 - £29,232) relates to share options granted to non-employees.

No new share options (2019 - none) were granted during the year ending 31 March 2020.

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**PLEXTEK SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**23. Pension commitments**

The Company operates a defined contribution pension scheme for employees. Company contributions in the period amounted to £760,608 (2019 - £587,806). An amount of £61,685 (2019 - £62,553) is included in other creditors, which represents the excess of the accumulated pension costs over the payment of contributions to employees' pensions.

**24. Related party transactions**

C R Smithers, T Jackson and I A Murphy, directors of Plextek Services Limited ("PSL") are also directors of Plextek Limited ("Plextek"). During the year, sales of £1,010 (2019: £NIL) were made to Plextek. Also expenses totalling £297,046 (2019: £284,184) were borne on behalf of PSL by Plextek and recharged at cost. PSL also made recharges of goods and services incurred on behalf of all associated companies to Plextek with a value of £271,808 (2019: £267,448). Purchase of goods and services were made from Plextek with a value of £1,325,354 (2019: £1,539,810). During the year, PSL made short-term cashflow loans to Plextek with an aggregate value of £519,945 (2019: £1,862,236).

At 31 March 2020, Plextek owed PSL £116,599 (2019: £270,225) and PSL owed Plextek £17,617 (2019: £NIL) in relation to these transactions.

C R Smithers, T Jackson and I A Murphy were directors of PRFI Limited ("PRFI") until 3 March 2020. Sales of goods and services were made to PRFI with a value of £60 (2019: £NIL). Purchases of goods and services were made from PRFI with a value of £NIL (2019: £NIL).

At 31 March 2020, PRFI owed PSL £NIL (2019: £NIL) in relation to these transactions.

C R Smithers, T Jackson and I A Murphy control Blighter Surveillance Systems Limited ("BSS") by virtue of their majority shareholding. Sales of goods and services were made to BSS with a value of £56,945 (2019: £301,495). Purchases of goods and services were made from BSS with a value of £734 (2019: £NIL).

At 31 March 2020, BSS owed PSL £588 (2019: £12,137) in relation to these transactions.

C R Smithers, T Jackson and I A Murphy are also directors of Redtail Telematics Limited ("Redtail"). Sales of goods and services were made to Redtail with a value of £448,628 (2019: £619,612).

At 31 March 2020, Redtail owed PSL £79,998 (2019: £151,316) in relation to these transactions.

At 31 March 2020, PSL were owed £318,000 (2019: £438,000) from BSS in respect of a loan which carries interest at 6% over the bank base rate. During the year interest of £16,841 (2019: £4,203) was received from BSS in respect of this loan.

During the year a loan amount of £492,000 owed to PSL by Plextek was reassigned to Redtail, the loan carrying interest at a variable rate. At 31 March 2020, PSL was owed £472,090 (2019: £NIL) by Redtail in respect of this loan.

**25. Controlling party**

The ultimate controlling parties are the owner-directors of Plextek Services Limited.