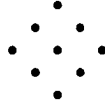


Company Number: 11376578



Lateral Naval Architects Limited

REPORT AND ACCOUNTS

30 SEPTEMBER 2020

WEDNESDAY



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COMPANIES HOUSE

DIRECTORS

J Bink
J Bonafoux
D Bright
D De Jong
J Roy

COMPANY SECRETARY

S Brushett

AUDITOR

RSM UK Audit LLP
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

REGISTERED OFFICE

Third Floor
1 Park Road
Teddington
Middlesex
TW11 0AP

Report and Accounts
for the year ended 30 September 2020

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DIRECTORS' REPORT

The directors submit their report and financial statement for Lateral Naval Architects Limited ("the Company"), company number 11376578, for the year ended 30 September 2020.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company's principal activities continue to be that of naval architecture and engineering services for the superyacht industry. The company has made a profit before tax of £982k (period to 30 September 2019: £671k) on a turnover of £5,942k (period to 30 September 2019: £7,170k).

The company was incorporated on 22 May 2018 and began trading 1 June 2018. The prior period accounts showed the results for the period from incorporation to 30 September 2019.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £774k (period to 30 September 2019: £533k) and total dividends of £500k were paid during the year (period to 30 September 2019: £nil).

RESEARCH AND DEVELOPMENT

The company is active in research and development and the company also benefits from significant investment in research and development over a wide range of technologies by BMT Group Limited.

COVID-19

On 11 March 2020, the World Health Organisation declared the global COVID-19 situation a pandemic. On 23 March 2020, the Prime Minister of the UK instructed British people to stay at home, other than for four specific and limited reasons. There remains significant uncertainty as to the extent and duration of the global economic impact. The directors are constantly monitoring the situation and are taking all necessary steps to minimise the impact on the business.

DIRECTORS

The directors during the year were as follows:

J Bink

J R Bonafoux

D Bright

(Appointed 06 March 2020)

D De Jong

J Roy

P Wilkinson

(Resigned 29 February 2020)

HEALTH AND SAFETY

The company's policy is to comply with both the requirements and spirit of all relevant health and safety legislation.

ELECTIVE RESOLUTION

The company has filed an elective resolution with the Registrar of Companies to dispense with the laying of accounts and reports before any general meeting.

AUDITOR

The auditor, RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

DIRECTORS' REPORT (Continued)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

By order of the Board,



J Roy
Director
21st January 2021

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATERAL NAVAL ARCHITECTS LIMITED

Opinion

We have audited the financial statements of Lateral Naval Architects Ltd (the 'company') for the year ended 30 September 2020, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Other information

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATERAL NAVAL ARCHITECTS LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, set out on page 5, 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit LLP

Christopher Hurren BA FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3rd Floor, One London Square
Cross Lanes, Guildford
Surrey, GU1 1UN

25 January 2021

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2020

	Notes	2020 £'000	Period to 30 September 2019 £'000
Turnover	2	5,942	7,170
Other operating income		-	298
Raw materials and consumables		(314)	(307)
Other external charges		(3,514)	(4,895)
Depreciation		(62)	(88)
Other operating charges		<u>(1,071)</u>	<u>(1,507)</u>
OPERATING PROFIT	3	981	671
Interest receivable and similar income	6	1	-
PROFIT BEFORE TAXATION		<u>982</u>	<u>671</u>
Taxation	7	(208)	(138)
PROFIT AFTER TAXATION FOR THE YEAR / PERIOD		774	533
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR / PERIOD		<u>774</u>	<u>533</u>

STATEMENT OF FINANCIAL POSITION
at 30 September 2020

	Notes	2020 £'000	2019 £'000
FIXED ASSETS			
Tangible assets	9	<u>186</u>	<u>248</u>
CURRENT ASSETS			
Debtors	10	702	813
Cash at bank and in hand		<u>965</u>	<u>396</u>
		1,667	1,209
CREDITORS			
Amounts falling due within one year	11	<u>(769)</u>	<u>(647)</u>
NET CURRENT ASSETS		<u>898</u>	<u>562</u>
NET ASSETS		<u>1,084</u>	<u>810</u>
CAPITAL AND RESERVES			
Called up share capital	13	1	1
Capital contribution		276	276
Profit and loss account		<u>807</u>	<u>533</u>
TOTAL EQUITY		<u>1,084</u>	<u>810</u>

The accounts on pages 8 to 19 were approved by the board of Directors and authorised for issue on 21st January 2021 and signed on its behalf by:



J Roy
Director

STATEMENT OF CHANGES IN EQUITY
 at 30 September 2020

	Share capital £'000	Capital contribution £'000	Profit and loss account £'000	Total £'000
Balance at 22 May 2018	-	-	-	-
Profit for the period and total comprehensive income for the period	-	276	533	809
Transactions with owners in their capacity as owners:				
Issue of shares	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Balance at 30 September 2019	1	276	533	810
Profit for the year and total comprehensive income for the year	-	-	774	774
Transactions with owners in their capacity as owners:				
Equity dividends paid	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>(500)</u>
Balance at 30 September 2020	<u>1</u>	<u>276</u>	<u>807</u>	<u>1,084</u>

NOTES TO THE ACCOUNTS
at 30 September 2020

1. PRINCIPAL ACCOUNTING POLICIES

General Information

Lateral Naval Architects Limited ("the Company") is a private company limited by share capital, domiciled and incorporated in England. The company was incorporated on 22 May 2018.

The address of the Company's registered office is Third Floor, 1 Park Road, Teddington, Middlesex, TW11 0AP. The address of the Company's principal place of business is 14 Shamrock Quay, William Street, Southampton, SO14 5QL.

The Company's principal activities are set out on page 3.

Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The Company has applied FRS102 (March 2018) in these financial statements, which includes the amendments as a result of the Triennial Review 2017.

The financial statements are presented in sterling which is also the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Reporting Period

The Company reported its prior period financial statements for the period from incorporation on 28 May 2018 to 30 September 2019. The company extended its reporting period to over a year so as to align its reporting date with the rest of the BMT Group.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of BMT Group Limited. The consolidated financial statements of BMT Group Limited are available from its registered office, Third Floor, 1 Park Road, Teddington, Middlesex, TW11 0AP.

NOTES TO THE ACCOUNTS
at 30 September 2020

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Going concern

The emergence of the COVID-19 virus in December 2019, followed by the declaration of a global pandemic by the World Health Organisation in March 2020, presents a continuing situation which is being managed in line with our policies as a risk to the company.

During 'lockdown' the company has taken various measures to protect its subcontracted staff, customers and business. These include requiring some office based subcontractors to work from home.

It is not possible to forecast the impact of any global downturn in demand, but the company remains in a strong position due to the long term relationships in place with principal customers and no external debt.

On the basis of the above, at the time of approving the financial statements, the director has considered forecasts of trading and cash flows for the company and have determined that the company has, or can expect to have, sufficient working capital for its needs for at least the next 12 months from the date of approval of these financial statements. In view of this the director considers it appropriate to prepare the accounts on the going concern basis.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Turnover

Revenue recognition

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

Turnover is recognised in relation to separately identifiable components of a single transaction when necessary to reflect the substance of the arrangement and in relation to two or more linked transactions when necessary to understand the commercial effect.

Sale of professional services

Turnover from contracts for the provision of professional consulting services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

NOTES TO THE ACCOUNTS
at 30 September 2020

PRINCIPAL ACCOUNTING POLICIES (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life to the business, as follows:

Plant & machinery	over 3 years
Fixtures, fittings and equipment	over 6 years

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in the statement of comprehensive income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of comprehensive income. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred taxation is provided in full on timing differences at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Timing differences arise from the inclusion of items of income and expenditure in the taxation computations in periods different from those in which they are included in the financial statements.

A deferred tax asset is only recognised when it is more likely than not that it will be recoverable in the foreseeable future. Deferred tax assets and liabilities recognised have not been discounted.

Financial Instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE ACCOUNTS
at 30 September 2020

1. **PRINCIPAL ACCOUNTING POLICIES (Continued)**

Financial Instruments (continued)

Basic financial assets

Basic financial assets, which include trade and other receivables, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing arrangement, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and intercompany loans are recognised at transaction price, unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Research and development

Expenditure on research and development is written off against profits as it is incurred.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition

Significant estimation and judgement is applied when determining the amounts of revenue recognised based upon the estimated cost to complete of a contract. Revenue is recognised to reflect the partial performance of contractual obligations. The amount recognised reflects any uncertainties as to the amount of revenue to be received.

2. **TURNOVER**

Turnover comprises services sold net of value added tax and royalty income. In the director's opinion the company carried on a single continuing business.

An analysis of turnover by geographical market is given below:

	Period to 30 September	
	2020 £'000	2019 £000
UK	867	155
Other European Union	4,436	6,856
Rest of the World	639	128
	<u>5,942</u>	<u>7,170</u>

NOTES TO THE ACCOUNTS
at 30 September 2020

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2020 £'000	Period to 30 September 2019 £'000
Auditor's remuneration – statutory audit of the company	16	15
Operating lease rentals – Buildings	30	38
Depreciation on owned assets	62	88
Exchange losses	-	1
Research and Development Tax Credit	<u>(4)</u>	<u>-</u>

4. DIRECTORS' REMUNERATION

	2020 £000	Period to 30 September 2019 £000
Emoluments	-	-
Sums paid to third parties for directors' services	<u>3</u>	<u>-</u>
	<u>3</u>	<u>-</u>

The directors received no other remuneration for their services to the company as they are remunerated for their services by BMT Group Limited, BMT UK Limited and joint venture partner Alblasserdam Yachtbuilding B.V.

5. EMPLOYEES

The Company has no employees other than directors (2019: nil), it subcontracts employees of BMT UK Limited to perform the work.

6. INTEREST RECEIVABLE & SIMILAR INCOME

	2020 £'000	Period to 30 September 2019 £'000
Bank Interest	<u>1</u>	<u>-</u>

NOTES TO THE ACCOUNTS
at 30 September 2020

7. TAXATION

	2020 £'000	Period to 30 September 2019 £'000
Current tax:		
Payment re in respect of group relief	200	155
Adjustment in respect of prior years – UK corporation tax	<u>(7)</u>	<u>-</u>
Total current tax	<u>193</u>	<u>155</u>
Deferred tax:		
Origination and reversal of timing differences	-	(20)
Adjustment for prior years	17	1
Effect of changes in tax rates and laws	<u>(2)</u>	<u>2</u>
Total deferred tax	<u>15</u>	<u>(17)</u>
Total tax on profit on ordinary activities	<u>208</u>	<u>138</u>

Factors affecting tax charge for the year
The tax assessed for the period is higher than the standard rate of UK corporation tax 19% (2019: 19%).

The differences are explained below:

	2020 £'000	2019 £'000
Profit/(loss) on ordinary activities before tax	<u>982</u>	<u>671</u>
Profit on ordinary activities multiplied by the effective rate of corporation tax in the UK of 19% (2019: 19%)	187	128
Effects of:		
Adjustments for prior years	10	-
Expenses not deductible for tax purposes	13	7
Effect of changes in tax rates and laws	(2)	-
Other adjustments	<u>-</u>	<u>3</u>
Total tax charge	<u>208</u>	<u>138</u>

Deferred tax assets and liabilities at the balance sheet date are calculated at the substantively enacted rate of 19% (2019:17%). Previously, the substantively enacted rate for balances that will be realised or settled after 1 April 2020 was 17%, however on 17 March 2020 a resolution having statutory effect was passed setting the corporation tax rate at 19% from 1 April 2020.

NOTES TO THE ACCOUNTS
at 30 September 2020

8. DIVIDEND

	2020 £'000	Period to 30 September 2019 £'000
Interim dividend paid £266.67 per 'A' share (period ended 30 September 2019: £nil)	200	-
Final dividend paid in relation to first period of account ended 30 September 2019 £400.00 per 'A' share	<u>300</u>	<u>-</u>

The dividends paid during the year were calculated in accordance with the profit share agreement with Alblasserdam Yachtbuilding B.V. and were paid to BMT UK Limited against the A shares held by BMT UK Limited.

9. TANGIBLE FIXED ASSETS

	Plant & Machinery £'000	Fixtures, Fittings & Equipment £'000	Total £'000
Cost			
At 1 October 2019	45	291	336
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2020	<u>45</u>	<u>291</u>	<u>336</u>
Depreciation			
At 1 October 2019	22	66	88
Charged in the year	<u>14</u>	<u>48</u>	<u>62</u>
At 30 September 2020	<u>36</u>	<u>114</u>	<u>150</u>
Net book value			
At 30 September 2020	<u>9</u>	<u>177</u>	<u>186</u>
At 30 September 2019	<u>23</u>	<u>225</u>	<u>248</u>

10. DEBTORS

	2020 £'000	2019 £'000
Trade debtors	498	738
Amounts owed by group undertakings	117	-
Other debtors	38	-
Corporation tax receivable	3	-
Deferred tax asset	2	17
Other taxation and social security receivable	12	-
Amounts recoverable on contracts	20	40
Prepayments	<u>12</u>	<u>18</u>
	<u>702</u>	<u>813</u>

NOTES TO THE ACCOUNTS
at 30 September 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £'000	2019 £'000
Trade creditors	50	42
Income in advance	344	62
Amounts owed to group undertakings	348	523
Other taxation and social security	-	16
Other creditors	3	-
Accruals and deferred income	24	4
	<u>769</u>	<u>647</u>

12. DEFERRED TAXATION

	2020 £'000	2019 £'000
At 1 October (2019: 22 May 2018)	17	-
Transfer from profit and loss	(15)	17
Asset at 30 September	<u>2</u>	<u>17</u>

	2020 £'000	2019 £'000
The deferred tax asset comprises:		
- capital allowances in excess of depreciation	<u>2</u>	<u>17</u>

13. SHARE CAPITAL AND RESERVES

<i>Share capital</i>	2020 £'000	2019 £'000
Allotted, issued and fully paid: 750 ordinary shares A of £1 each, 250 ordinary shares B of £1 each	<u>1</u>	<u>1</u>

On 28 May 2018, the company issued 749 A ordinary £1 shares and 250 ordinary B £1 shares at par

Ordinary share rights

The Company's A and B ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meeting of the Company.

Reserves

Profit and loss reserve

Cumulative profit and loss net of distributions to owners.

Capital contribution reserve

Shareholder contributions provided to finance the purchase of tangible fixed assets following incorporation.

NOTES TO THE ACCOUNTS
at 30 September 2020

14. RELATED PARTY TRANSACTIONS

During the year the company had the following transactions and balance at the year end with companies related by common ownership:

	Subsidiaries not wholly owned	
	Period to 30 September	
	2020 £'000	2019 £'000
Sales of services in year	4,325	4,625
Purchases of services in year	4,194	4,985
Amounts owed by related parties at 30 September	519	617
Amounts owed to related parties at 30 September	348	523

15. ULTIMATE PARENT UNDERTAKING

BMT Group Limited, is the immediate parent and is the smallest and largest group for which consolidated accounts including Lateral Naval Architects Limited are prepared. Copies of the group accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is the Trustees of the BMT Employee Benefit Trust.

16. CONTINGENT LIABILITIES

The company is included in the group registration for VAT purposes and is therefore jointly and severally liable for all other participating group undertakings' unpaid debts in this connection. The potential exposure under this arrangement for the Company at 30 September 2020 is £3,821k (2019: 1,571k).