

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 March 2024  
for  
Accu Limited

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for the Year Ended 31 March 2024

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Accu Limited

Company Information  
for the Year Ended 31 March 2024

**DIRECTORS:**

Mr A J Kitson  
Mr A Wight  
Mr M R Ackroyd  
Mr A J Smith  
Mr A R Morris  
Dr R Durr

**REGISTERED OFFICE:**

Hope Bank Works  
New Mill Road  
Holmfirth  
West Yorkshire  
HD6 9QA

**REGISTERED NUMBER:**

08016434 (England and Wales)

**AUDITORS:**

S P Crowther & Co Limited Chartered Accountants  
and Statutory Auditors  
Abacus House  
Pennine Business Park  
Longbow Close  
Huddersfield  
West Yorkshire  
HD2 1GQ

Strategic Report  
for the Year Ended 31 March 2024

The directors present their strategic report for the year ended 31 March 2024.

The business made pre-tax losses of £100,220 (2023 profit: £1,123,922) from component revenue of £13,472,439 (2023: £11,778,967). Shareholders funds have £523,472 (2023: £1,240,084) due to both the loss and dividends paid.

Although the Company saw losses this year, the Company's financial position remains stable, despite the challenges faced during the year. While market conditions impacted profitability, our strategic investments in key areas such as premises, personnel, and online advertising have strengthened our foundation for future growth. Our key performance indicators (KPIs) reflect the resilience of our business model: revenue grew by 14% year-on-year, with an increase in online advertising spend to 18% of revenue supporting continued customer acquisition and retention. Our KPI for customer satisfaction, Net Promoter Score, reached record levels of 79, far exceeding industry standards. Gross profit margin experienced some pressure due to static cost prices and depressed retail pricing in the global fastener market, but we have successfully maintained positive cash flow through efficient working capital management. Post year-end, cash reserves have improved, further solidifying our financial position as we continue to invest in our people and infrastructure.

## **REVIEW OF BUSINESS**

The Company has performed well over the past 12 months, despite the significant challenges posed by both the broader economic environment and the specific pressures affecting the precision engineering fastener market.

Last year marked a period of investment in growth for Accu, highlighted by our relocation to a new 42,000 sq.ft warehouse and office space. We also strengthened the board with the statutory appointments of Alastair Morris as UK Managing Director and Richard Durr as Operations Director. Additionally, we made significant investments in our broader team, focusing on upskilling employees into higher value roles and increasing capacity. These strategic investments have positioned us well to continue our strong year-on-year revenue growth and to expand our physical presence internationally, with our first overseas location in the USA, now in advanced planning stages.

These investments were made during a year of challenging market and economic conditions. Retail prices in the global fastener market were depressed, partly due to the lingering effects of COVID-19, while cost prices remained static, leading to a squeeze on our gross profit margin. To sustain revenue, we increased our average online advertising spend from 13.2% to 18% of revenue. These factors, coupled with high inflation and rising interest rates, placed strain on our cash reserves during the year. Our business model, however, operates with negative working capital - where the majority of sales are made via our e-commerce platform and payments are received before paying our manufacturing partners - enabled us to navigate these challenges successfully.

During Q2 and Q3, a key focus was placed on reducing overhead costs as a percentage of revenue, refocusing indirect labour on the highest value add activities. These gave particular priority to reduction of stock value and growth into new markets via an aggressive expansion of the product range. A specialist team was created to source and on-board new products and new manufacturing partners which would allow us to generate growth during the period of challenging market conditions. These actions led to a rapid turnaround in the performance of the business, with both revenue growth and profit recovering by Q4. Relocation of the warehouse was also completed during Q4, moving the business to a new phase of growth with the opportunities created by the expanded space.

The economic environment we operate in today is more stable than it was 12 months ago, with inflation recently reaching the Government's 2% target and interest rates stabilising, with further cuts projected over the next 18 months. The change in Government has not caused any market disruptions, but it remains essential that their fiscal policies continue to support UK manufacturing.

## **FUTURE PROSPECTS AND BUSINESS RISKS**

The Board is confident that the Company is well positioned for significant growth in the coming years.

With the additional footprint available in our new premises we are now able to unlock new growth areas for the business. The product range continues to be expanded to include new and larger items, which would previously have been impossible to stock or dispatch. The next phase will be to invest in automation of our warehouse processes to dramatically increase productivity and allow a higher growth rate of the business without further increases in direct labour.

We are taking significant steps to reduce our percentage stock value and increase the stock turns. The addition of a high value of consignment stock from several of our key manufacturing partners is enabling us to do this while also increasing the customer experience through greater availability and faster delivery of product.

Over the past year, substantial progress has been made in forming strategic relationships with partners in the USA, allowing for the rapid deployment of our current operating model with minimal capital investment. Additionally, our operating model is evolving as Accu transitions to become a technology partner for the precision engineering industry, with the addition of consignment stock, drop-shipping and third party logistics as business models to accelerate growth without increased stock-holding.

In order to strengthen the business and further increase margin, a significant effort is being made on brand awareness within our target customer base. This will reduce dependency on paid advertising, increase customer retention and awareness of our expanded product range.

The Board would like to take this opportunity to express their gratitude to the entire team for their continued hard work, commitment, and support. The past year has been challenging, but the team's collective effort and dedication have positioned the Company perfectly for the next phase of growth and our planned expansion overseas.

## **SECTION 172(1) STATEMENT**

The Board believe that individually and collectively they have acted in a way they considered, in good faith, would be the most likely to promote the success of the Company for the benefit of its members, and in so doing, had regard for matters set out in s172 (1) (a-f) of the Companies Act 2006.

The stakeholders of the Company are also directors and involved in the decision-making process. The Board continually seeks opportunities to create value by monitoring market trends and adjusting our products and services accordingly. Over the past year, this approach has included attending trade shows globally and entering into new agreements with manufacturing partners across America, Europe and Asia.

The Board acknowledges that our employees, funders, and manufacturing partners are key stakeholders of the Company. Internally, Alastair Morris has spearheaded bold initiatives to recognise and develop our workforce. In 2022, Accu became one of the first employers to adopt a four-day working week for all employees. This year, with the addition of The Happiness Index, an innovative, market-leading employee engagement platform, we have drawn up clear action plans to further improve the experience of working at Accu. This has directly led to enhancement to training and development programmes, internal communication and employee benefits.

The Board believes in the Company's duty to contribute positively to the local community and globally, while also recognising its responsibility to minimise environmental impact. Now in its second year of supporting local charities through various initiatives, the Company's primary contribution is through time, with each Accu team member given a full day to volunteer. Each year, the team selects a charity to be Accu's charity of the year. Last year, this was The Welcome Centre, a local charity that assists families and individuals in crisis by providing food, toiletries, essential items, as well as advice and support to address underlying issues. This year, the chosen charity is The Kirkwood, which offers specialist care, free of charge, to adults in Kirklees with advanced, progressive illnesses, from diagnosis through to end-of-life care.

## **GOING CONCERN**

The directors are confident that the Company has sufficient resources to continue its operations for the foreseeable future, despite the reported loss and decrease in net assets.

**ENVIRONMENTAL AND SUSTAINABILITY REPORT**

The Company is committed to operating in an environmentally responsible manner and continuously strives to reduce its environmental impact. We continue to progress toward our target of net zero emissions by 2030. The move to a new building has allowed us to make significant steps on this journey, with energy efficient LED lighting and electric heating.

We have also taken steps to reduce waste and consumption, and increased our recycling levels. We have also taken steps to encourage customers to reuse and recycle the packaging that they receive from us.

We recognise that sustainable practices are essential not only for the well-being of the planet but also for the long-term success of our business. Although not required, Accu will shortly publish a full sustainability report to document its activities to date and plans for the future.

To further drive these initiatives forward and ensure continued investment, the Company has formed an internal sustainability task force. We actively seek ways to exceed regulatory requirements, ensuring that our practices reflect the highest environmental standards.

By integrating environmental sustainability into our business strategy, we aim to reduce our ecological footprint while enhancing our operational resilience. The Board remains fully committed to making responsible and sustainable business decisions for the benefit of both current and future generations.

**ON BEHALF OF THE BOARD:**

Mr A J Smith - Director

31 October 2024

Report of the Directors  
for the Year Ended 31 March 2024

The directors present their report with the financial statements of the company for the year ended 31 March 2024.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of selling of precision engineering components.

**DIVIDENDS**

Final dividends were paid during the year amounting to £529,100 (2023 - £380,000).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr A J Kitson  
Mr A Wight  
Mr M R Ackroyd  
Mr A J Smith

Other changes in directors holding office are as follows:

Mr A R Morris - appointed 6 July 2023

Dr R Durr was appointed as a director after 31 March 2024 but prior to the date of this report.

**POLITICAL DONATIONS AND EXPENDITURE**

The Company did not make any political donations during the year. (2023: £nil).

Throughout the year, the Company supported various local charities and organisations, with The Welcome Centre, a local charity that assists families and individuals in crisis by providing food, toiletries, and other essential items, designated as our charity of the year. Employees are encouraged to participate in charitable activities, with the Company offering a paid day for each employee to volunteer with local charities.

**OTHER INFORMATION**

Financial risk management objectives and policies, information on exposure to credit risk, foreign currency risk, price risk, liquidity and cash flow risk as well as an indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year are included within the Strategic Report contained in these accounts.

**ENGAGEMENT WITH EMPLOYEES**

The Company acknowledges the significance of having a well-trained and versatile workforce at all levels. Accordingly, substantial resources are allocated towards training and development to improve the effectiveness of the individuals within the business.

Throughout the year, the directors have implemented policies and initiatives to engage and communicate with employees in a proactive manner. All employees receive regular business updates, during which the directors share information on company performance and developments. In addition, bi-annual town hall meetings and employee recognition programs have been established. A formal, anonymous employee survey and suggestion process has also been introduced, leading to several tangible improvements for employees, such as training and development, internal communications and benefits package.

The Company maintains a policy of offering equal opportunities to employees at all levels with regard to working conditions. It is the Board's commitment to provide employment opportunities and training for individuals with disabilities, as well as to support and accommodate employees who may become disabled during their employment.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant information of which the Company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is are of that information.

**AUDITORS**

The auditors, S P Crowther & Co Limited Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr A J Smith - Director

31 October 2024

### **Opinion**

We have audited the financial statements of Accu Limited (the 'company') for the year ended 31 March 2024 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 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 2024 and of its loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### **Emphasis of matter**

Accu Limited has minor issues in relation to its internal controls and these have been noted to the directors. Our audit opinion is not modified with respect to these matters.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

#### **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 Report of the Directors.

We have nothing to report in respect of the following matters where 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**

As explained more fully in the Statement of Directors' Responsibilities set out on page six, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

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

Using our general commercial and sector experience and through discussions with the directors we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.

We examined the company's regulatory and legal correspondence and discussed with the directors any known or suspected instances of fraud or non-compliance with laws and regulations.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements.

There are inherent limitations in the audit procedures described above and the further removed we are from the non-compliance with laws and regulations in respect of events and transactions reflected in the financial statements, the less likely we would become aware of identifying issues. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve the deliberate concealment, for example, through forgery or intentional misrepresentation, or through collusion.

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 Report of the Auditors.

#### **Other matters which we are required to address**

In the previous accounting period, the directors of the company took advantage of audit exemption under s. 477 of the Companies Act 2006. Therefore, the prior period financial statements were not subject to audit.

Report of the Independent Auditors to the Members of  
Accu Limited

**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 a Report of the Auditors 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.

Steven Crowther FCA (Senior Statutory Auditor)  
for and on behalf of S P Crowther & Co Limited Chartered Accountants  
and Statutory Auditors  
Abacus House  
Pennine Business Park  
Longbow Close  
Huddersfield  
West Yorkshire  
HD2 1GQ

31 October 2024

Income Statement  
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 (Unaudited) £
<b>TURNOVER</b>		13,472,439	11,778,967
Cost of sales		<u>6,261,800</u>	<u>5,526,723</u>
<b>GROSS PROFIT</b>		7,210,639	6,252,244
Administrative expenses		<u>7,290,928</u> (80,289)	<u>5,085,677</u> 1,166,567
Other operating income		<u>1,625</u>	<u>7,646</u>
<b>OPERATING (LOSS)/PROFIT</b>	4	(78,664)	1,174,213
Interest receivable and similar income		<u>8,954</u> (69,710)	<u>8,775</u> 1,182,988
Interest payable and similar expenses	7	<u>30,510</u> (100,220)	<u>59,066</u> 1,123,922
<b>(LOSS)/PROFIT BEFORE TAXATION</b>			
Tax on (loss)/profit	8	<u>88,262</u>	<u>219,203</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<u>(188,482)</u>	<u>904,719</u>

Accu Limited (Registered number: 08016434)

Other Comprehensive Income  
for the Year Ended 31 March 2024

	31.3.24	31.3.23
	£	(Unaudited) £
Notes		
<b>(LOSS)/PROFIT FOR THE YEAR</b>	(188,482)	904,719
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		
<b>FOR THE YEAR</b>	<u>(188,482)</u>	<u>904,719</u>

The notes form part of these financial statements

Balance Sheet  
31 March 2024

		31.3.24		31.3.23 (Unaudited)	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	10		16,263		16,263
Tangible assets	11		582,605		158,257
			<u>598,868</u>		<u>174,520</u>
<b>CURRENT ASSETS</b>					
Stocks	12	1,828,560		1,279,749	
Debtors	13	1,132,962		1,375,907	
Cash at bank		<u>495,897</u>		<u>925,109</u>	
		3,457,419		3,580,765	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>3,019,242</u>		<u>2,378,618</u>	
<b>NET CURRENT ASSETS</b>			<u>438,177</u>		<u>1,202,147</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,037,045		1,376,667
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		(487,971)		(108,336)
<b>PROVISIONS FOR LIABILITIES</b>	19		<u>(25,602)</u>		<u>(28,247)</u>
<b>NET ASSETS</b>			<u><u>523,472</u></u>		<u><u>1,240,084</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		1,000		30
Retained earnings	21		<u>522,472</u>		<u>1,240,054</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>523,472</u></u>		<u><u>1,240,084</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 October 2024 and were signed on its behalf by:

Mr A J Smith - Director

Statement of Changes in Equity  
for the Year Ended 31 March 2024

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2022</b>	30	715,335	715,365
<b>Changes in equity</b>			
Dividends	-	(380,000)	(380,000)
Total comprehensive income	-	904,719	904,719
<b>Balance at 31 March 2023</b>	<u>30</u>	<u>1,240,054</u>	<u>1,240,084</u>
<b>Changes in equity</b>			
Issue of share capital	970	-	970
Dividends	-	(529,100)	(529,100)
Total comprehensive income	-	(188,482)	(188,482)
<b>Balance at 31 March 2024</b>	<u>1,000</u>	<u>522,472</u>	<u>523,472</u>

Cash Flow Statement  
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 (Unaudited) £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	230,812	1,090,780
Interest paid		(24,034)	(9,385)
Finance costs paid		(6,476)	(49,681)
Tax paid		(217,524)	-
Net cash from operating activities		<u>(17,222)</u>	<u>1,031,714</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	(3,650)
Purchase of tangible fixed assets		(530,927)	(93,566)
Interest received		8,954	8,775
Net cash from investing activities		<u>(521,973)</u>	<u>(88,441)</u>
<b>Cash flows from financing activities</b>			
New loans in year		600,000	-
Loan repayments in year		(93,989)	(50,000)
Amount introduced by directors		535,587	429,680
Amount withdrawn by directors		(401,956)	(535,568)
Share issue		967	-
Amounts loaned to group companies		(1,526)	-
Equity dividends paid		(529,100)	(380,000)
Net cash from financing activities		<u>109,983</u>	<u>(535,888)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(429,212)</u>	<u>407,385</u>
<b>Cash and cash equivalents at beginning of year</b>	2	925,109	517,724
<b>Cash and cash equivalents at end of year</b>	2	<u>495,897</u>	<u>925,109</u>

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2024

1. **RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.3.24	31.3.23 (Unaudited)
	£	£
(Loss)/profit before taxation	(100,220)	1,123,922
Depreciation charges	99,580	64,682
Loss on disposal of fixed assets	7,000	-
Finance costs	30,510	59,066
Finance income	(8,954)	(8,775)
	<u>27,916</u>	<u>1,238,895</u>
Increase in stocks	(548,811)	(414,516)
Decrease/(increase) in trade and other debtors	114,649	(236,620)
Increase in trade and other creditors	<u>637,058</u>	<u>503,021</u>
<b>Cash generated from operations</b>	<u><u>230,812</u></u>	<u><u>1,090,780</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2024**

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	<u>495,897</u>	<u>925,109</u>

**Year ended 31 March 2023**

	31.3.23	1.4.22 (Unaudited)
	£	£
Cash and cash equivalents	<u>925,109</u>	<u>517,724</u>

3. **ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)**

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>925,109</u>	<u>(429,212)</u>	<u>495,897</u>
	<u>925,109</u>	<u>(429,212)</u>	<u>495,897</u>
<b>Debt</b>			
Debts falling due within 1 year	(50,000)	(126,374)	(176,374)
Debts falling due after 1 year	<u>(108,336)</u>	<u>(379,635)</u>	<u>(487,971)</u>
	<u>(158,336)</u>	<u>(506,009)</u>	<u>(664,345)</u>
<b>Total</b>	<u><u>766,773</u></u>	<u><u>(935,221)</u></u>	<u><u>(168,448)</u></u>

1. **STATUTORY INFORMATION**

Accu Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Short leasehold	- 25% on reducing balance
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

2. ACCOUNTING POLICIES - continued

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	31.3.24	31.3.23 (Unaudited)
	£	£
Wages and salaries	3,231,272	2,406,565
Social security costs	294,909	221,492
Other pension costs	87,816	60,786
	<u>3,613,997</u>	<u>2,688,843</u>

The average number of employees during the year was as follows:

	31.3.24	31.3.23 (Unaudited)
Admin	10	10
Production	<u>91</u>	<u>76</u>
	<u>101</u>	<u>86</u>
	31.3.24	31.3.23 (Unaudited)
	£	£
Directors' remuneration	345,704	196,566
Directors' pension contributions to money purchase schemes	<u>8,375</u>	<u>1,572</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

3. **EMPLOYEES AND DIRECTORS - continued**

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>5</u>	<u>4</u>
------------------------	----------	----------

Information regarding the highest paid director for the year ended 31 March 2024 is as follows:

	31.3.24	
	(Unaudited	
	£	
Emoluments etc	114,475	
Pension contributions to money purchase schemes	<u>3,084</u>	

4. **OPERATING (LOSS)/PROFIT**

The operating loss (2023 - operating profit) is stated after charging/(crediting):

	31.3.24	31.3.23
		(Unaudited)
	£	£
Hire of plant and machinery	421	(1,583)
Other operating leases	149,023	77,836
Depreciation - owned assets	99,578	64,682
Loss on disposal of fixed assets	7,000	-
Foreign exchange differences	<u>82,647</u>	<u>62,786</u>

5. **AUDITORS' REMUNERATION**

	31.3.24	31.3.23
		(Unaudited)
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>16,000</u>	<u>-</u>

6. **EXCEPTIONAL ITEMS**

	31.3.24	31.3.23
		(Unaudited)
	£	£
Exceptional items	<u>(195,744)</u>	<u>-</u>

The exceptional items relate to costs incurred on a systems software that is not fit for purpose.

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.24	31.3.23
		(Unaudited)
	£	£
Bank loan interest	23,861	9,385
Other interest	173	-
Pref dividend - share type 3	-	743
Pref dividend - share type 4	163	48,761
Pref dividend - share type 5	6,313	177
	<u>30,510</u>	<u>59,066</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

8. **TAXATION**

**Analysis of the tax charge**

The tax charge on the loss for the year was as follows:

	31.3.24	31.3.23 (Unaudited)
	£	£
Current tax:		
UK corporation tax	90,907	213,715
Deferred tax	<u>(2,645)</u>	<u>5,488</u>
Tax on (loss)/profit	<u>88,262</u>	<u>219,203</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.24	31.3.23 (Unaudited)
	£	£
(Loss)/profit before tax	<u>(100,220)</u>	<u>1,123,922</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	(25,055)	213,545
Effects of:		
Expenses not deductible for tax purposes	15,010	2,795
Income not taxable for tax purposes	(3,624)	(1,344)
Capital allowances in excess of depreciation	-	(4,740)
Depreciation in excess of capital allowances	9,405	-
Adjustments to tax charge in respect of previous periods	-	(492)
Preference share dividends not deductible for tax purposes	1,619	9,439
Withdrawal of prior year's research and development	<u>90,907</u>	<u>-</u>
Total tax charge	<u>88,262</u>	<u>219,203</u>

9. **DIVIDENDS**

	31.3.24	31.3.23 (Unaudited)
	£	£
B Ordinary shares of £1 each		
Final	<u>529,100</u>	<u>380,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

10. INTANGIBLE FIXED ASSETS

	Patents and licences £
<b>COST</b>	
At 1 April 2023 and 31 March 2024	<u>16,263</u>
<b>NET BOOK VALUE</b>	
At 31 March 2024	<u>16,263</u>
At 31 March 2023	<u>16,263</u>

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 April 2023	39,703	72,892	57,160
Additions	376,836	6,037	123,634
Disposals	(16,013)	-	(13,452)
At 31 March 2024	<u>400,526</u>	<u>78,929</u>	<u>167,342</u>
<b>DEPRECIATION</b>			
At 1 April 2023	25,700	29,764	44,659
Charge for year	33,413	11,890	14,056
Eliminated on disposal	(12,048)	-	(13,452)
At 31 March 2024	<u>47,065</u>	<u>41,654</u>	<u>45,263</u>
<b>NET BOOK VALUE</b>			
At 31 March 2024	<u>353,461</u>	<u>37,275</u>	<u>122,079</u>
At 31 March 2023	<u>14,003</u>	<u>43,128</u>	<u>12,501</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

11. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2023	27,238	156,409	353,402
Additions	-	24,420	530,927
Disposals	-	(28,228)	(57,693)
At 31 March 2024	<u>27,238</u>	<u>152,601</u>	<u>826,636</u>
<b>DEPRECIATION</b>			
At 1 April 2023	7,661	87,361	195,145
Charge for year	4,894	35,325	99,578
Eliminated on disposal	-	(25,192)	(50,692)
At 31 March 2024	<u>12,555</u>	<u>97,494</u>	<u>244,031</u>
<b>NET BOOK VALUE</b>			
At 31 March 2024	<u>14,683</u>	<u>55,107</u>	<u>582,605</u>
At 31 March 2023	<u>19,577</u>	<u>69,048</u>	<u>158,257</u>

12. STOCKS

	31.3.24	31.3.23 (Unaudited)
	£	£
Stocks	1,812,138	1,279,749
Work-in-progress	16,422	-
	<u>1,828,560</u>	<u>1,279,749</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23 (Unaudited)
	£	£
Trade debtors	635,770	655,024
Amounts owed by group undertakings	1,525	-
Other debtors	12,851	19,199
Directors' loan accounts	401,938	535,568
Tax	3,809	-
Prepayments	77,069	166,116
	<u>1,132,962</u>	<u>1,375,907</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23 (Unaudited)
	£	£
Bank loans and overdrafts (see note 16)	176,374	50,000
Trade creditors	1,958,380	1,400,451
Tax	90,907	213,715
Social security and other tax	78,306	52,558
VAT	162,620	229,011
Other creditors	41,781	4,528
Pension control account	37,125	28,980
Accrued expenses	473,749	399,375
	<u>3,019,242</u>	<u>2,378,618</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.24	31.3.23 (Unaudited)
	£	£
Bank loans (see note 16)	487,971	108,333
Preference shares (see note 16)	-	3
	<u>487,971</u>	<u>108,336</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.3.24	31.3.23 (Unaudited)
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>176,374</u>	<u>50,000</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>176,374</u>	<u>108,333</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>311,597</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Preference shares	<u>-</u>	<u>3</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

16. **LOANS - continued**

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:		Nominal	31.3.24	31.3.23
Number:	Class:	value:	£	£
NIL (31.3.23 - 1 )	Preference C	£1	-	1
NIL (31.3.23 - 1 )	Preference D	£1	-	1
NIL (31.3.23 - 1 )	Preference E	£1	-	1
			<u>-</u>	<u>3</u>

17. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.24	31.3.23 (Unaudited)
	£	£
Within one year	75,681	67,377
Between one and five years	295,526	1,800
In more than five years	664,934	-
	<u>1,036,141</u>	<u>69,177</u>

18. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.24	31.3.23 (Unaudited)
	£	£
Bank loans	<u>664,345</u>	<u>158,333</u>

19. **PROVISIONS FOR LIABILITIES**

The provision for deferred tax relates to a liability of £121,974 (2023 - £28,247) in respect of accelerated capital allowances on the company's fixed assets and an asset of £37,482 (2023 - £NIL) in respect of un-utilised tax losses.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

20. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.24	31.3.23
		£1	£	£
NIL (31.3.23 - 10 )	A Ordinary	£1	-	10
NIL (31.3.23 - 20 )	B Ordinary	£1	-	20
			<u>-</u>	<u>30</u>

Allotted and issued:

Number:	Class:	Nominal value:	31.3.24	31.3.23
		£1	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>-</u>

The following shares were issued during the year for cash at par :

990 Ordinary shares of £1

21. **RESERVES**

	Retained earnings
	£
At 1 April 2023	1,240,054
Deficit for the year	(188,482)
Dividends	<u>(529,100)</u>
At 31 March 2024	<u>522,472</u>

22. **PENSION COMMITMENTS**

Defined pension contribution scheme.

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £87,816 (2023 - £60,786).

Contributions totalling £37,125 (2023 - £28,980) were payable to the scheme at the end of the year and are included in creditors.

23. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 March 2024 and 31 March 2023:

	31.3.24 £	31.3.23 £
<b>Director 1</b>		
Balance outstanding at start of year	238,254	219,760
Amounts advanced	175,163	238,255
Amounts repaid	(238,263)	(219,761)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>175,154</u>	<u>238,254</u>
<b>Director 2</b>		
Balance outstanding at start of year	238,092	171,743
Amounts advanced	190,525	238,092
Amounts repaid	(238,100)	(171,743)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>190,517</u>	<u>238,092</u>
<b>Director 3</b>		
Balance outstanding at start of year	59,222	38,177
Amounts advanced	36,268	59,222
Amounts repaid	(59,223)	(38,177)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>36,267</u>	<u>59,222</u>

24. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

25. **ULTIMATE CONTROLLING PARTY**

The controlling party is Accu Group Limited.

The ultimate controlling party is Mr M R Ackroyd, Mr A J Kitson and Mr A Wight.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.