

DIXONDALE LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

HODGE BAKSHI LIMITED
STATUTORY AUDITORS
Churchgate House
3 Church Road
Whitchurch
Cardiff
CF14 2DX

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FOR THE YEAR ENDED 30 SEPTEMBER 2021

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DIXONDALE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

DIRECTORS:

Dr B Rees-Smith
P Rees-Smith
Miss J Bradbury
Dr S Chen
Dr J Sanders

SECRETARY:

Miss J L Barwise

REGISTERED OFFICE:

7 Robin Lane
High Bentham
Lancaster
Lancashire
LA2 7AB

REGISTERED NUMBER:

01662593 (England and Wales)

AUDITORS:

HODGE BAKSHI LIMITED
STATUTORY AUDITORS
Churchgate House
3 Church Road
Whitchurch
Cardiff
CF14 2DX

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their strategic report of the company and the group for the year ended 30 September 2021.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activities of the group in the year under review was that of investment and letting of properties, manufacturing and distributing medical diagnostic kits and research and development. Details of the group's performance for the financial year are set out in the consolidated income statement and balance sheet. Its results and future prospects are considered to be satisfactory.

Financial performance in the year

During the year the group continued its research and development activities as well as production of medical diagnostic equipment used predominately in the treatment of autoimmune diseases.

The group also continued to improve and develop its investment property portfolio. This investment and development is set to continue with further increases in future rental income streams and capital appreciation of its properties.

During the year the group recorded turnover of £31.3m compared to the previous year of £31.4m, with a £1.0m increase in operating operating profit. This increase in profit is due to consistent productivity and continued strong controls on input costs. The directors will continue to focus on improving margins and driving down costs where possible for the forthcoming year.

One of the group's key measurements of the effectiveness of its operations is calculating gross margin after direct costs. The group achieved a gross margin after direct costs of 59.3% (2020 - 61.3%). The decrease been as a result of an increase in cost of sales despite no change in productivity and strong control on input costs. The Directors will continue to focus on improving margins and driving costs down for the forthcoming year.

The group made an investment in a connected company developing a new product. This investment bears interest at market rate. The product was launched for clinical trials through the group's undertakings in Japan and the UK. The directors believe the success of the clinical trials will generate income streams for the connected company to repay the amount invested by Dixondale Limited.

Financial position at the reporting date

The consolidated balance sheet shows that the group net assets have increased by £13.4 million when compared to the prior year.

However, uncertainties related to the effects of COVID-19, and ongoing macro economic conditions, the reasonableness of estimates made by the directors, such as stock valuation and provision for slow moving and obsolete stock, recoverability of debtor balances and the appropriateness of the going concern basis of preparation of the financial statements are relevant to understanding the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

COVID-19 are the most significant economic and social events for the UK. At the date of this report, its effects are subject to unprecedented levels of uncertainty of outcomes, the full range of possible effects unknown. However, when assessing the group's future prospects, no accounts should be expected to predict unknowable factors or all possible future implications for the group; particularly the case of COVID-19.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The management team continually monitor the key risks facing the group together with assessing the controls used for managing these risks. The Board of directors formally reviews and documents the principal risks facing the business periodically.

The principal risks and uncertainties facing the group are as follows;

Economic downturn - The group acknowledges the importance of maintaining close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties. Sales trends in its major markets are constantly reviewed to enable early action to be taken in the event of declining sales.

Competitive pressure - In the general economic environment, competition is a perpetual risk to the group as is the ability of suppliers to keep pace with the competition. The group manages this risk by providing fast response times in fulfilling sales orders and by maintaining strong relationships with key customers and suppliers globally.

Reliance on key suppliers - The group's purchasing activities could expose it to overreliance on certain suppliers and inflationary pricing pressure. The group manages this risk by ensuring there is enough breadth in its supplier base and by constantly seeking to find potential alternative suppliers.

Loss of key personnel - This would present significant operational difficulties for the group. Management seek to ensure that key personnel are appropriately remunerated to ensure that good performance is recognised.

Interest rate risks- These risks are managed by regular and consistent monitoring of interest rates.

Financial risk management - The main financial risks arising from the group's activities are credit risk, liquidity risk, foreign exchange risk, interest rate risk, price risk and cash flow risk.

Credit risk- The group limits its exposure to credit risk. It is the group's policy to assess all customers before entering into a trading relationship and to ensure that credit risk is kept to a minimum.

Liquidity risk- The operations of the group are financed through robust management of the group's working capital requirement and treasury function. The group's policy to manage liquidity risk and cash flow risk is to ensure that adequate funds are held in readily accessible current accounts to meet the working capital requirements of the group. The directors monitor these risks carefully and, when appropriate, steps are taken to ensure liquidity risk and cash flow risk are reduced.

Foreign exchange risk - The group sources products from abroad and is therefore subject to foreign exchange movements. This risk is managed by regular and consistent monitoring of exchange rates.

Price risk- The group does not enter into hedging arrangements. However, the directors consider the group's exposure to price risk as low.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

FUTURE DEVELOPMENTS

The directors aim to continue implementing the management policies which have been introduced in recent years which have assisted in successful development of the group. Overall, the directors believe that the group is well placed in terms of strategic and market position to maximise its ability to generate sales and satisfy customer demand.

KEY PERFORMANCE INDICATORS

The directors consider the following to be key performance indicators of the group:

	Year ended 2021	Year ended 2020
Group turnover	£31,365,128	£31,447,740
Gross profit margin %	59.3%	61.3%
Net Profit (before tax)	£17,124,373	£16,125,226
Net assets	£195,877,181	£182,282,921

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicants concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and the appropriate training and support is arranged. It is the policy of the group that the training, career development and promotion of disabled persons is identical to that of other employees.

EMPLOYEE CONSULTATION

The group is committed to employee involvement and encourages the development of co-operation with employees. To this end, the company's policy is to ensure that employees are kept informed of matters which affect them, through direct communication and established procedures for joint consultation.

The group continued to examine ways and means of providing employment for disabled employees, under normal terms and conditions, with opportunities and established procedures for joint consultation.

ON BEHALF OF THE BOARD:

Dr B Rees-Smith - Director

24 June 2022

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2021.

DIVIDENDS

An interim dividend of £8.47458 per share was paid on 8 June 2021. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2021 will be £ 500,000 .

RESEARCH AND DEVELOPMENT

The group will continue its policy of research and development in order to retain a competitive position in the market. All research and development expenditure is written off to the profit and loss account as it is incurred.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 October 2020 to the date of this report unless otherwise stated.

Other changes in directors holding office are as follows:

Dr J Furmaniak and Dr M Powell ceased to be directors after 30 September 2021 but prior to the date of this report.

The beneficial interests of the directors holding office at 30 September 2021 in the shares of the company, according to the register of directors' interests, were as follows:

	30.9.21	1.10.20
Ordinary Shares shares of £1 each		
Dr B Rees-Smith	59,000	59,000
P Rees-Smith	-	-
Miss J Bradbury	-	-
Dr S Chen	-	-
Dr J Furmaniak	-	-
Dr M Powell	-	-
Dr J Sanders	-	-

These directors did not hold any non-beneficial interests in the shares of the company.

POLITICAL DONATIONS AND EXPENDITURE

The group made no charitable or political donations during the year.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes that the group will continue in operational existence for the foreseeable future. In making this assessment, the directors reviewed the balance sheet, the likely future cashflows of the business; and considered the facilities that are available to the group along with the continued support of its shareholder.

At the date of approving the financial statements the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and that the going concern basis of accounting remains appropriate. The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

DIRECTORS INDEMNITY

The group's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the group in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted by them as officers or employees of the group.

DISCLOSURE IN THE STRATEGIC REPORT

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the directors report have been omitted as they are included in the strategic report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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 group'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 group's auditors are aware of that information.

AUDITORS

The auditors, HODGE BAKSHI LIMITED, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Dr B Rees-Smith - Director

24 June 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIXONDALE LIMITED

Opinion

We have audited the financial statements of DIXONDALE LIMITED (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 group's and of the parent company affairs as at 30 September 2021 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we draw your attention to note 16 in the financial statements concerning the recoverability of a debt due from a connected company.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIXONDALE LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information in the Group 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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DIXONDALE LIMITED**

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:

We obtain an understanding of the entity, its activities, its control environment and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which include:

1. Enquiry of management and those charged with governance with regards to actual and potential litigation and claims as well as actual, suspected and alleged fraud;
2. Assessing the extent of compliance with rules and regulations specifically in relation to Companies Act and employment laws which are considered to have a direct material effect on the financial statements or the operations of the group through enquiry of the Directors and senior management team and inspection of records during and subsequent to the year ended 30 September 2021.
3. Reviewing financial statement disclosure and verifying to supporting documentation to assess compliance with applicable laws and regulations.
4. Performing audit work to mitigate risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.
5. We assessed the susceptibility of the groups financial statements to material misstatement, including how fraud might occur through discussions with management to understand where they considered there was susceptibility to fraud and by considering the key risks impacting the financial statements. We identified fraud risk in relation to manipulation of investment property valuation, failure to recognise rental income in accordance with the terms of the lease agreements, failure to recognise revenue in respect of sales of diagnostic kits and royalties, stock valuation and existence. In identifying fraud risk, we gained an understanding of the processes and key controls by performing a walkthrough to evaluate the design and implementation of controls. In addition, we completed the following procedures:
 - Investment property valuation - Obtaining a 3rd party valuation report and comparing market values derived within the reports against the values recognised within the financial statements. We reviewed the valuation report considering and challenging the assumptions made by the valuer in determining the values reported. In addition, we have assessed the experience and qualification of the valuer as well as the valuers' independence of the group.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DIXONDALE LIMITED**

- Rental income - Revenue was recalculated with reference to the lease agreement to determine whether income was recorded within the financial statements in accordance with the lease agreements. In addition, substantive procedures were performed to vouch a sample of rental income to invoices and cash remittances from tenants.

- Revenue recognition (Diagnostic kit and Royalty income) - We obtained an understanding of the group's material revenue streams and an understanding of the process that has been implemented for each. We ascertained the point in which the group will become entitled to recognise the income receivable. On a sample basis we identified the origins of each transaction and traced through to source documentation and subsequent recording within the accounting system.

- Stock existence - Year end stocktakes were attended for all subsidiaries of the group at the year end to observe its procedures and controls. On a sample basis we verified physical stock to the groups stock system and then from the stock system to physical stock.

- Stock valuation - We obtained an understanding of the groups valuation methodology and insured consistent with its accounting policy. On a sample basis we agreed the value of individual stock lines to source documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instance of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

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.

Pankaj Bakshi (Senior Statutory Auditor) for
and on behalf of HODGE BAKSHI LIMITED
STATUTORY AUDITORS
Churchgate House
3 Church Road
Whitchurch
Cardiff
CF14 2DX

24 June 2022

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)**CONSOLIDATED INCOME STATEMENT**
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
TURNOVER					
Group and share of associates		35,073,937		35,316,138	
Less:					
Share of associates' turnover		<u>(3,708,809)</u>		<u>(3,868,398)</u>	
GROUP TURNOVER	3	31,365,128		31,447,740	
Cost of sales		<u>12,763,370</u>		<u>12,164,654</u>	
GROSS PROFIT		18,601,758		19,283,086	
Administrative expenses		<u>6,946,398</u>		<u>7,133,413</u>	
		11,655,360		12,149,673	
Other operating income	4	<u>4,333,096</u>		<u>2,764,078</u>	
OPERATING PROFIT	6	15,988,456		14,913,751	
Income from interest in associated undertakings		366,916		444,589	
Income from fixed asset investments		5,410		2,988	
Interest receivable and similar income		<u>710,726</u>		<u>963,966</u>	
		1,083,052		1,411,543	
		17,071,508		16,325,294	
Gain/(loss) on revaluation of investments		<u>52,865</u>		<u>(196,525)</u>	
		17,124,373		16,128,769	
Interest payable and similar expenses	7	<u>-</u>		<u>3,543</u>	
PROFIT BEFORE TAXATION		17,124,373		16,125,226	

The notes form part of these financial statements

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
Brought forward			17,124,373		16,125,226
Tax on profit	8		<u>2,162,366</u>		<u>1,713,224</u>
PROFIT FOR THE FINANCIAL YEAR			<u>14,962,007</u>		<u>14,412,002</u>
Profit attributable to:					
Owners of the parent			14,965,818		14,390,813
Non-controlling interests			<u>(3,811)</u>		<u>21,189</u>
			<u>14,962,007</u>		<u>14,412,002</u>

The notes form part of these financial statements

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)**CONSOLIDATED OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	30.9.21 £	30.9.20 £
PROFIT FOR THE YEAR		14,962,007	14,412,002
OTHER COMPREHENSIVE INCOME			
Currency translation differences		(871,558)	(799,797)
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		(871,558)	(799,797)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		14,090,449	13,612,205
Total comprehensive income attributable to:			
Owners of the parent		14,246,834	13,735,266
Non-controlling interests		(156,385)	(123,061)
		14,090,449	13,612,205

The notes form part of these financial statements

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)**CONSOLIDATED BALANCE SHEET**
30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
FIXED ASSETS					
Intangible assets	11		154,660		130,330
Tangible assets	12		9,206,485		9,656,831
Investments	13				
Interest in associates			1,257,715		1,086,483
Other investments			150,794		97,929
Investment property	14		26,877,559		24,121,929
			37,647,213		35,093,502
CURRENT ASSETS					
Stocks	15	1,733,458		1,811,919	
Debtors	16	21,700,969		19,140,231	
Cash at bank and in hand		139,486,933		131,379,641	
		162,921,360		152,331,791	
CREDITORS					
Amounts falling due within one year	17	3,236,063		3,530,658	
NET CURRENT ASSETS			159,685,297		148,801,133
TOTAL ASSETS LESS CURRENT LIABILITIES			197,332,510		183,894,635

The notes form part of these financial statements

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)**CONSOLIDATED BALANCE SHEET - continued**
30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
CAPITAL AND RESERVES					
Called up share capital	20		59,000		59,000
Non distributable reserve	21		1,622,392		1,323,724
Exchange rate reserve	21		835,102		1,706,660
Retained earnings	21		193,360,687		179,193,537
SHAREHOLDERS' FUNDS			195,877,181		182,282,921
NON-CONTROLLING INTERESTS	22		1,455,329		1,611,714
TOTAL EQUITY			197,332,510		183,894,635

The financial statements were approved by the Board of Directors and authorised for issue on 24 June 2022 and were signed on its behalf by:

Dr B Rees-Smith - Director

The notes form part of these financial statements

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)**COMPANY BALANCE SHEET**
30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
FIXED ASSETS					
Intangible assets	11		-		-
Tangible assets	12		8,533,765		8,874,532
Investments	13		572,630		519,765
Investment property	14		24,006,908		21,549,946
			<u>33,113,303</u>		<u>30,944,243</u>
CURRENT ASSETS					
Debtors	16	13,723,010		11,124,325	
Cash at bank and in hand		<u>113,539,914</u>		<u>105,652,025</u>	
		127,262,924		116,776,350	
CREDITORS					
Amounts falling due within one year	17	<u>1,203,509</u>		<u>1,290,946</u>	
NET CURRENT ASSETS			<u>126,059,415</u>		<u>115,485,404</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>159,172,718</u>		<u>146,429,647</u>

The notes form part of these financial statements

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)

COMPANY BALANCE SHEET - continued
30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
CAPITAL AND RESERVES					
Called up share capital	20		59,000		59,000
Non distributable reserve	21		1,094,536		1,094,536
Retained earnings	21		<u>158,019,182</u>		<u>145,276,111</u>
SHAREHOLDERS' FUNDS			<u>159,172,718</u>		<u>146,429,647</u>
Company's profit for the financial year			<u>13,243,071</u>		<u>12,688,515</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24 June 2022 and were signed on its behalf by:

Dr B Rees-Smith - Director

DIXONDALE LIMITED (REGISTERED NUMBER: 01662593)**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Called up share capital £	Retained earnings £	Non distributable reserve £	Exchange rate reserve £
Balance at 1 October 2019	59,000	166,112,410	229,188	2,506,457
Changes in equity				
Dividends	-	(450,052)	-	-
Total comprehensive income	-	13,531,179	1,094,536	(799,797)
Balance at 30 September 2020	59,000	179,193,537	1,323,724	1,706,660
Changes in equity				
Dividends	-	(500,000)	-	-
Total comprehensive income	-	14,667,150	298,668	(871,558)
Balance at 30 September 2021	59,000	193,360,687	1,622,392	835,102
	Revaluation of listed investments £	Total £	Non-controlling interests £	Total equity £
Balance at 1 October 2019	234,902	169,141,957	1,734,775	170,876,732
Changes in equity				
Dividends	-	(450,052)	-	(450,052)
Total comprehensive income	(234,902)	13,591,016	(123,061)	13,467,955
Balance at 30 September 2020	-	182,282,921	1,611,714	183,894,635
Changes in equity				
Dividends	-	(500,000)	-	(500,000)
Total comprehensive income	-	14,094,260	(156,385)	13,937,875
Balance at 30 September 2021	-	195,877,181	1,455,329	197,332,510

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Called up share capital £	Retained earnings £	Non distributable reserve £	Revaluation of listed investments £	Total equity £
Balance at 1 October 2019	59,000	133,897,282	-	234,902	134,191,184
Changes in equity					
Dividends	-	(450,052)	-	-	(450,052)
Total comprehensive income	-	11,828,881	1,094,536	(234,902)	12,688,515
Balance at 30 September 2020	<u>59,000</u>	<u>145,276,111</u>	<u>1,094,536</u>	<u>-</u>	<u>146,429,647</u>
Changes in equity					
Dividends	-	(500,000)	-	-	(500,000)
Total comprehensive income	-	13,243,071	-	-	13,243,071
Balance at 30 September 2021	<u>59,000</u>	<u>158,019,182</u>	<u>1,094,536</u>	<u>-</u>	<u>159,172,718</u>

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	30.9.21 £	30.9.20 £
Cash flows from operating activities			
Cash generated from operations	1	14,086,129	15,644,190
Interest paid		-	(3,543)
Minority Interest		(152,574)	(144,248)
Currency translation differences		(871,558)	(774,333)
Tax paid		(2,887,886)	(4,644,698)
Government grants		-	10,000
Net cash from operating activities		<u>10,174,111</u>	<u>10,087,368</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(81,852)	(87,142)
Purchase of tangible fixed assets		(282,399)	(556,300)
Purchase of fixed asset investments		(171,232)	(199,823)
Purchase of investment property		(2,128,427)	-
Sale of tangible fixed assets		14,039	9,830
Interest received		710,726	963,966
Dividends received		372,326	447,577
Net cash from investing activities		<u>(1,566,819)</u>	<u>578,108</u>
Cash flows from financing activities			
Equity dividends paid		<u>(500,000)</u>	<u>(450,052)</u>
Net cash from financing activities		<u>(500,000)</u>	<u>(450,052)</u>
Increase in cash and cash equivalents		8,107,292	10,215,424
Cash and cash equivalents at beginning of year	2	131,379,641	121,164,217
Cash and cash equivalents at end of year	2	<u>139,486,933</u>	<u>131,379,641</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	30.9.21	30.9.20
	£	£
Profit before taxation	17,124,373	16,125,226
Depreciation charges	452,853	423,927
Profit on disposal of fixed assets	(5,160)	-
Gain on revaluation of fixed assets	(383,448)	(898,012)
Impairment of freehold property	-	1,013,063
Government grants	-	(10,000)
Finance costs	-	3,543
Finance income	(1,083,052)	(1,411,543)
	16,105,566	15,246,204
Decrease in stocks	78,461	89,824
(Increase)/decrease in trade and other debtors	(1,714,240)	1,343,123
Decrease in trade and other creditors	(383,658)	(1,034,961)
Cash generated from operations	14,086,129	15,644,190

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 30 September 2021

	30.9.21	1.10.20
	£	£
Cash and cash equivalents	139,486,933	131,379,641

Year ended 30 September 2020

	30.9.20	1.10.19
	£	£
Cash and cash equivalents	131,379,641	121,164,217

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank and in hand	131,379,641	8,107,292	139,486,933
	131,379,641	8,107,292	139,486,933
Total	131,379,641	8,107,292	139,486,933

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. STATUTORY INFORMATION

DIXONDALE 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 General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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 as modified by the revaluation of certain assets.

The principal activities of the company and its subsidiaries (the Group) and the nature of the group's operations are set out in the strategic report.

Dixondale Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the group will continue in operational existence for the foreseeable future. In making this assessment, the directors have reviewed the balance sheet, the likely future cashflows of the business and has considered the facilities that are available to the group along with their continued support.

The directors have considered the ongoing impact of Covid-19 on the operations of the entity and the entities ability to continue as a going concern. The directors have and continue to take a number of actions to financially safeguard the company and minimise the effects of the Covid 19.

At the date of approving the financial statements the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and that the going concern basis of accounting remains appropriate. The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Basis of consolidation

The group financial statements consolidate the financial statements of Dixondale Limited and its subsidiary undertakings drawn up to 30 September 2021.

No income statement is presented for Dixondale Limited itself as the exemption in section 408 of the Companies Act 2006 applies.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. The comparative figures are restated when found necessary. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Associates

Transactions with associates have been treated in accordance with Paragraph 14.4A of FRS 102 "Associates and Joint ventures". The investment in Associates are accounted for using the equity method of accounting.

Related party exemption

The group 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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the group's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation - The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on technological advancement, future investment, economic utilisation and the physical condition of the asset.

Deferred taxation - Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. As at 30th September 2021 the deferred tax asset was £568,858 relating to retirement and bonus provisions made in a Japanese subsidiary and £48,474 relating to timing differences relating to the parent and a subsidiary company.

Investment properties - The fair value of investment properties involved the use of professional valuation techniques, which are reviewed annually by management. Where factors that could impact the fair value are identified, appropriate adjustments are made through the income statement.

Impairment of debtors - The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade debtors, management considers factors including the current credit rating of the debtor, ageing profile of the debtor as well as historical experience.

In assessing the recoverability of balances with connected companies, management periodically reviews the financial performance of these entities to gain assurance as to the recoverability.

Stock provisioning

The group designs, manufactures and sells medical diagnostic equipment. An obsolete stock provision is recognised with reference to the expiry date of perishable items used in the manufacturing process.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Turnover

Sale of goods

Turnover is recognised at the fair value of the consideration received or receivable from the manufacture and distribution of medical diagnostic equipment. Turnover is reduced for estimated customer returns, rebates and other similar allowances, and is stated net of VAT.

Turnover is recognised when the following conditions have been satisfied:

- the group has transferred to the end customer the significant risks and rewards of ownership;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership or effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably. Specifically, revenue from the sale of goods is recognised when the goods are delivered and legal title has passed.

For the services provided to the customer during the normal course of business, turnover is recognised at the point when all benefits of the services provided are transferred to the customer.

Rental Income

Turnover is recognised at the fair value of rent received or receivable in the normal course of business. Rental income is recognised in the period which it relates.

Royalty income

Royalty revenue is recognised on an accruals basis in accordance with the terms of the relevant agreement (provided that it is probable that the economic benefits will flow to the group and the amount of revenue can be measured reliably). Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Interest income

Interest income is recognised on an accruals basis.

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 three years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses to arrive at the carrying value in the financial statement. The cost of tangible assets includes the original purchase price, delivery costs and costs directly attributable to bring the asset to its working condition intended use, dismantling and restoration costs and also any qualifying borrowing costs that are capitalised.

Depreciation is provided at the following annual rates, calculated to write off the cost of fixed assets, less their estimated residual values, over their expected useful lives, other than freehold land.

The applicable rates are:

Land - not depreciated

Short leasehold - straight line over the life of the lease

Plant and Machinery - 25% on cost

Fixtures and Fittings - 20% on reducing balance

Motor Vehicles - 25% on reducing balance

Computer equipment - 33% on reducing balance

Included in freehold property is an improvement to property included in an overseas company. Depreciation at a rate of 2% is charged.

Asset residual values and useful economic lives are regularly reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any changes are accounted for prospectively.

At each balance sheet date, the group reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Investment property

Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value measured through the income statement.

The methods and significant assumptions used to ascertain the fair value at the balance sheet date and fair value movement in the profit for the year are as follows:

Properties are valued by the directors using a yield calculation to ascertain a fair value.

In accordance with the Financial Reporting Standard, no depreciation is provided in respect of freehold properties held as investments. This is a departure from the requirements of the Companies Act 2006 which require all properties to be depreciated. Such properties are held for investment and not for consumption and the directors consider that to depreciate them would not give a true and fair view. Depreciation is only one of the many elements reflected in the annual valuation of properties and, accordingly, the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified. The directors consider that this policy results in the accounts giving a true and fair view.

Valuation of investments in subsidiaries and associated companies

Investments in subsidiaries are measured at cost less accumulated impairment.

Investment in associates are accounted for by equity accounting in the individual financial statements and group financial statements.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Costs comprise direct production costs and are based on the method most appropriate to the type of inventory class, but usually on a first-in-first-out basis. Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

An assessment of any slow moving or obsolete stock provision is made with reference to the expiry dates prescribed on materials.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. As at 30 September 2021 the deferred tax asset was £568,858 relating to retirement and bonus provisions made in a Japanese subsidiary and £48,474 relating to timing differences in the parent and a subsidiary company.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less / (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference.

Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Deferred tax relating to non-depreciable property measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if:

- (a) the group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Research and development

Expenditure on research and development is expensed in the year in which it is incurred.

Foreign currencies

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 the income statement except where deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance (expense)/income". All other foreign exchange gains and losses are presented in the the income statement within "other operating (losses)/gains".

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the income statement in the period to which they relate.

Listed investments

Investments are shown at market value. The investments are listed on a recognised stock exchange. The market value is calculated from the mid-price of the units on the last day of the period; and any subsequent movement in fair value is recognised through the income statement. Investment income is credited to the income statement when received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; It is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision is not made for future operating losses

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when:

- (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or
- (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Financial instruments

The group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at a transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Financial liabilities

Basic financial liabilities, including trade and other creditors, loans to related companies and bank loans are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the assets cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Leases

The group as a lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease), and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the income statement over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

The group as a lessor

Rental income from operating leases is recognised on a straight line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the term of the lease.

Exchange rate reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to the income statement when the net investment is disposed of.

Related parties

For the purposes of these financial statements, a party is considered to be related to the group if;

(i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

(ii) the company and the party are subject to common control;

(iii) the party is an associate of the group or a joint venture in which the company has an interest;

(iv) the party is a member or such an individual, or is an entity under the control, joint control or significant influence of such individuals;

(v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;

(vi) the party is a post-employment benefit plan which is for the benefit of employees of the group or of any entity that is a related party of the company; or

(vii) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred. The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, defined contribution pension plans and medical costs.

The obligation for contribution to a defined contribution scheme is recognised as an expense in the period it is incurred. The assets of the scheme are held separately from those of the group in an independent administered fund.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	30.9.21	30.9.20
	£	£
United Kingdom	1,298,951	1,029,501
Worldwide	30,066,177	30,418,239
	31,365,128	31,447,740

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**4. OTHER OPERATING INCOME**

	30.9.21	30.9.20
	£	£
Exchange (loss)/gain	(4,026,816)	(5,007,933)
Rents received	1,936,403	1,720,092
Sundry receipts	286,696	8,830
Royalties received	6,136,813	5,776,308
Profit/(loss) on investments	-	256,781
Other Government Grants	-	10,000
	<u>4,333,096</u>	<u>2,764,078</u>

5. EMPLOYEES AND DIRECTORS

	30.9.21	30.9.20
	£	£
Wages and salaries	8,734,186	8,957,322
Social security costs	522,840	498,891
Other pension costs	242,190	280,161
	<u>9,499,216</u>	<u>9,736,374</u>

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

	30.9.21	30.9.20
Directors	9	9
Administration/operations/sales	<u>145</u>	<u>157</u>
	<u>154</u>	<u>166</u>

	30.9.21	30.9.20
	£	£
Directors' remuneration	1,248,692	1,295,140
Directors' pension contributions to money purchase schemes	<u>17,499</u>	<u>17,499</u>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**5. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	30.9.21	30.9.20
	£	£
Emoluments etc	311,786	322,400
Pension contributions to money purchase schemes	<u>3,499</u>	<u>3,500</u>

6. OPERATING PROFIT

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

	30.9.21	30.9.20
	£	£
Operating lease income	(1,936,403)	(1,720,092)
Depreciation - owned assets	395,331	364,767
Profit on disposal of fixed assets	(5,160)	-
Patents and licences amortisation	57,522	59,159
Auditor's remuneration- Parent /Consolidation	29,000	29,000
Auditor's remuneration - UK Subsidiaries	24,000	16,000
Auditor's remuneration - Overseas subsidiary	21,828	23,822
Auditor's remuneration - Tax compliance and other services	82,129	83,851
Research and Development	315,803	300,033
Other operating leases	<u>246,714</u>	<u>234,513</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.21	30.9.20
	£	£
Interest payable	<u>-</u>	<u>3,543</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**8. TAXATION****Analysis of the tax charge**

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

	30.9.21 £	30.9.20 £
Current tax:		
UK corporation tax	2,109,802	1,977,416
Prior period losses carryback	-	(17,146)
Total current tax	<u>2,109,802</u>	<u>1,960,270</u>
Deferred tax	52,564	(247,046)
Tax on profit	<u>2,162,366</u>	<u>1,713,224</u>

UK corporation tax has been charged at 19 % (2020 - 19 %).

Reconciliation of total tax charge included in profit and loss

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

	30.9.21 £	30.9.20 £
Profit before tax	<u>17,124,373</u>	<u>16,125,226</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2020 - 19 %)	3,253,631	3,063,793
Effects of:		
Expenses not deductible for tax purposes	53,415	50,005
Capital allowances in excess of depreciation	-	(247,046)
Depreciation in excess of capital allowances	52,564	-
Adjustments to tax charge in respect of previous periods	-	(17,146)
R & D and Patent box deduction	(1,322,014)	(1,348,196)
Accelerated capital allowances	(64,926)	(123,944)
Other	256,486	313,898
Impairment of fixed assets	-	192,482
Provision for (increase)diminution in the valueof fixed asset investment	(10,044)	37,340
Increase in investment property fair value	(56,746)	(207,962)
Total tax charge	<u>2,162,366</u>	<u>1,713,224</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**8. TAXATION - continued****Tax effects relating to effects of other comprehensive income**

		30.9.21	
	Gross	Tax	Net
	£	£	£
Currency translation differences	<u>(871,558)</u>	<u>-</u>	<u>(871,558)</u>
	Gross	30.9.20	Net
	£	£	£
Currency translation differences	<u>(799,797)</u>	<u>-</u>	<u>(799,797)</u>

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements. The parent company's profit for the financial period was £13,243,071 (30th September 2020 -£12,688,515)

10. DIVIDENDS

	30.9.21	30.9.20
	£	£
Dividend paid	<u>500,000</u>	<u>450,052</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. INTANGIBLE FIXED ASSETS

Group

	Patents and licences £
COST	
At 1 October 2020	369,394
Additions	<u>81,852</u>
At 30 September 2021	<u>451,246</u>
AMORTISATION	
At 1 October 2020	239,064
Amortisation for year	<u>57,522</u>
At 30 September 2021	<u>296,586</u>
NET BOOK VALUE	
At 30 September 2021	<u>154,660</u>
At 30 September 2020	<u>130,330</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**12. TANGIBLE FIXED ASSETS****Group**

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 October 2020	9,078,931	5,731,792	1,593,688
Additions	-	211,844	70,555
Disposals	-	-	(21,397)
Reclassification/transfer	(328,535)	-	-
At 30 September 2021	8,750,396	5,943,636	1,642,846
DEPRECIATION			
At 1 October 2020	185,737	5,147,313	1,422,146
Charge for year	6,540	272,635	109,126
Eliminated on disposal	-	-	(12,518)
At 30 September 2021	192,277	5,419,948	1,518,754
NET BOOK VALUE			
At 30 September 2021	8,558,119	523,688	124,092
At 30 September 2020	8,893,194	584,479	171,542

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**12. TANGIBLE FIXED ASSETS - continued****Group**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 October 2020	119,498	117,585	16,641,494
Additions	-	-	282,399
Disposals	(69,995)	-	(91,392)
Reclassification/transfer	-	-	(328,535)
At 30 September 2021	49,503	117,585	16,503,966
DEPRECIATION			
At 1 October 2020	111,882	117,585	6,984,663
Charge for year	7,030	-	395,331
Eliminated on disposal	(69,995)	-	(82,513)
At 30 September 2021	48,917	117,585	7,297,481
NET BOOK VALUE			
At 30 September 2021	586	-	9,206,485
At 30 September 2020	7,616	-	9,656,831

Land with an historical cost of £400,000 was transferred to freehold property during the year as it is used in the day to day operations of the group.

Freehold property with an historical cost of £728,535 was transferred to investment property during the year as the property is now fully occupied by third party tenants.

Included in freehold property is an improvement to property included in an overseas company. Depreciation at a rate of 2% is charged.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**12. TANGIBLE FIXED ASSETS - continued****Company**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 October 2020	8,862,300	2,254,565	106,293	11,223,158
Reclassification/transfer	(328,535)	-	-	(328,535)
At 30 September 2021	8,533,765	2,254,565	106,293	10,894,623
DEPRECIATION				
At 1 October 2020	-	2,243,015	105,611	2,348,626
Charge for year	-	11,550	682	12,232
At 30 September 2021	-	2,254,565	106,293	2,360,858
NET BOOK VALUE				
At 30 September 2021	8,533,765	-	-	8,533,765
At 30 September 2020	8,862,300	11,550	682	8,874,532

13. FIXED ASSET INVESTMENTS

	Group		Company	
	30.9.21 £	30.9.20 £	30.9.21 £	30.9.20 £
Participating interests	1,257,715	1,086,483	-	-
Listed investments	150,794	97,929	572,630	519,765
	<u>1,408,509</u>	<u>1,184,412</u>	<u>572,630</u>	<u>519,765</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**13. FIXED ASSET INVESTMENTS - continued**

Additional information is as follows:

Group

	Interest in associates £	Listed investments £	Totals £
COST OR VALUATION			
At 1 October 2020	1,086,483	97,929	1,184,412
Change in value in the year	171,232	-	171,232
Revaluation	-	52,865	52,865
At 30 September 2021	<u>1,257,715</u>	<u>150,794</u>	<u>1,408,509</u>
NET BOOK VALUE			
At 30 September 2021	<u>1,257,715</u>	<u>150,794</u>	<u>1,408,509</u>
At 30 September 2020	<u>1,086,483</u>	<u>97,929</u>	<u>1,184,412</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**13. FIXED ASSET INVESTMENTS - continued****Group****Interest in associates**

Associate	Country of incorporation/registration and operation	Activity	Portion of ordinary shares and voting rights held
Kronus Market Development Associates Inc.	USA	Retailer of diagnostic kits	37.5%
RSR Tianjin Biotech Co Limited	China	R & D technology related to biomedicine	40.0%

The group

	Share of net assets
	£
At 1st October 2020	1,086,483
Share of profit for the year after taxation	287,100
Share of other comprehensive income	(115,868)
At 30th September 2021	<u>1,257,715</u>

Cost or valuation at 30 September 2021 is represented by:

	Interest in associates	Listed investments	Totals
	£	£	£
Valuation in 2021	1,011,746	91,242	1,102,988
Cost	245,969	59,552	305,521
	<u>1,257,715</u>	<u>150,794</u>	<u>1,408,509</u>

Investment in listed investments is held at cost less adjustment for any impairment losses or gains in market value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**13. FIXED ASSET INVESTMENTS - continued****Company**

	Listed investments £
COST OR VALUATION	
At 1 October 2020	97,931
Revaluation	<u>52,865</u>
At 30 September 2021	<u>150,796</u>
NET BOOK VALUE	
At 30 September 2021	<u>150,796</u>
At 30 September 2020	<u>97,931</u>

Cost or valuation at 30 September 2021 is represented by:

	Listed investments £
Valuation in 2021	<u>150,796</u>

Investments (neither listed nor unlisted) were as follows:

	30.9.21 £	30.9.20 £
Investment in subsidiary & associated companies	<u>421,834</u>	<u>421,834</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries**RSR Limited**

Registered office: UK

Nature of business: Manufacturing of diagnostic kits

	% holding
Class of shares:	
Ordinary	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**13. FIXED ASSET INVESTMENTS - continued****Lotein Limited**

Registered office: UK

Nature of business: Lettings of property

	%
Class of shares:	holding
Ordinary	100.00

Kabushiki Kaisha Cosmic Corporation

Registered office: Japan

Nature of business: Retailers of diagnostic kits

	%
Class of shares:	holding
Ordinary	85.00

Nippon Smith Yakuhin Kabushiki Kaisha

Registered office: Japan

Nature of business: work on clinical trials of therapeutic products

	%
Class of shares:	holding
Ordinary	79.00

Included in investments of the company were listed investments, valued at market value of £150,796 (2020 - £97,929).

14. INVESTMENT PROPERTY**Group**

	Total £
FAIR VALUE	
At 1 October 2020	24,121,929
Additions	2,128,427
Revaluations	298,668
Reclassification/transfer	328,535
At 30 September 2021	<u>26,877,559</u>
NET BOOK VALUE	
At 30 September 2021	<u>26,877,559</u>
At 30 September 2020	<u>24,121,929</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**14. INVESTMENT PROPERTY - continued****Group**

The investment properties for the group were revalued on an open market basis by a firm of Chartered Surveyors, on 1 March 2021 and 14 June 2022. The firm of Surveyors are RICS registered and have recent experience in the region and category of properties valued. The valuer is considered to be independent of the group.

Fair value at 30 September 2021 is represented by:

	£
Valuation in 2021	1,622,392
Cost	25,255,167
	<u>26,877,559</u>

Company

	Total £
FAIR VALUE	
At 1 October 2020	21,549,946
Additions	2,128,427
Reclassification/transfer	328,535
At 30 September 2021	<u>24,006,908</u>
NET BOOK VALUE	
At 30 September 2021	<u>24,006,908</u>
At 30 September 2020	<u>21,549,946</u>

Fair value at 30 September 2021 is represented by:

	£
Valuation in 2021	1,094,536
Cost	22,912,372
	<u>24,006,908</u>

The investment properties for the group were revalued on an open market basis by a firm of Chartered Surveyors, on 1 March 2021 and 14 June 2022. The firm of Surveyors are RICS registered and have recent experience in the region and category of properties valued. The valuer is considered to be independent of the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**15. STOCKS**

	Group	
	30.9.21	30.9.20
	£	£
Stocks	<u>1,733,458</u>	<u>1,811,919</u>

As at 30 September 2021 the company held stock of £nil (2020 : £nil)

16. DEBTORS

	Group		Company	
	30.9.21	30.9.20	30.9.21	30.9.20
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	6,356,635	5,775,481	152,500	140,887
Other debtors	616,188	825,865	-	-
Due from group associates undertakings	1,557,181	993,002	2,291,928	1,420,988
Due from connected company	9,870	-	9,870	-
Tax	2,877,991	2,013,935	2,070,521	1,181,104
Deferred tax asset	617,333	666,806	-	-
Deferred tax asset	-	-	116,071	101,039
Prepayments	795,269	629,685	211,618	44,850
	<u>12,830,467</u>	<u>10,904,774</u>	<u>4,852,508</u>	<u>2,888,868</u>
Amounts falling due after more than one year:				
Due from connected company	<u>8,870,502</u>	<u>8,235,457</u>	<u>8,870,502</u>	<u>8,235,457</u>
Aggregate amounts	<u>21,700,969</u>	<u>19,140,231</u>	<u>13,723,010</u>	<u>11,124,325</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**16. DEBTORS - continued**

Included within debtors amounts due is an amount owed by a connected company totalling £8,870,502 (2020: £8,235,457). The company is connected to the group by virtue of its common ownership and directors.

This connected company is currently loss making and has net liabilities on its balance sheet. The group has made no provision against this debt as the directors are confident that this company will become profitable and will be able to repay its debt from anticipated future profits. Whilst the debt is technically due on demand it will be paid after more than one year due to company support arrangements in place.

The group is fully supportive of this connected company and will provide continued financial resources to ensure it becomes profitable.

The actual interest charged by the company is 3.5%. The carrying value of the loan as at 30th September 2021 would be £8,870,502.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.9.21	30.9.20	30.9.21	30.9.20
	£	£	£	£
Trade creditors	468,838	811,394	64,037	57,319
Amounts owed to group undertakings	-	-	783,567	872,715
Tax	337,277	248,214	-	-
Social security and other taxes	183,299	195,890	52,323	69,194
Other creditors	1,804,363	1,799,650	-	-
Amounts due to related party	15,040	15,040	-	-
Directors' current accounts	12,514	12,514	286	286
Accruals and deferred income	414,732	447,956	303,296	291,432
	<u>3,236,063</u>	<u>3,530,658</u>	<u>1,203,509</u>	<u>1,290,946</u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**Group**

Non-cancellable operating leases

	30.9.21	30.9.20
	£	£
Within one year	211,837	249,277
Between one and five years	177,237	20,013
	<u>389,074</u>	<u>269,290</u>

19. PROVISIONS FOR LIABILITIES**Company****Deferred
tax**

	£
Balance at 1 October 2020	(101,039)
Provided during year	(15,032)
Balance at 30 September 2021	<u>(116,071)</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.9.21	30.9.20
			£	£
59,000	Ordinary Shares	£1	<u>59,000</u>	<u>59,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**21. RESERVES****Group**

	Retained earnings £	Non distributable reserve £	Exchange rate reserve £	Totals £
At 1 October 2020	179,193,537	1,323,724	1,706,660	182,223,921
Profit for the year	14,965,818			14,965,818
Dividends	(500,000)			(500,000)
Property revaluation	(298,668)	298,668	-	-
Exchange Rate Differences	-	-	(871,558)	(871,558)
At 30 September 2021	<u>193,360,687</u>	<u>1,622,392</u>	<u>835,102</u>	<u>195,818,181</u>

Company

	Retained earnings £	Non distributable reserve £	Totals £
At 1 October 2020	145,276,111	1,094,536	146,370,647
Profit for the year	13,243,071		13,243,071
Dividends	(500,000)		(500,000)
At 30 September 2021	<u>158,019,182</u>	<u>1,094,536</u>	<u>159,113,718</u>

Within the financial statements of the group, non distributable reserves amounting to £1,622,392 (2020: £1,323,724) relate to the fair value adjustments of the revaluation of investment properties. These fair value adjustments are not taxable until any gains or loss are realised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

22. NON-CONTROLLING INTERESTS

Group

	2021	2020
	£	£
As at 1 October 2020	1,611,714	1,734,775
(Loss)/Profit on ordinary activities	(3,811)	21,189
Currency translation differences	<u>(152,574)</u>	<u>(144,250)</u>
As at 30 September 2021	<u>1,455,329</u>	<u>1,611,714</u>

23. CONTINGENT LIABILITIES

Group

Counter Indemnity given by the company's bankers, HSBC bank for £40,000 to H M Customs and Excise.

24. RELATED PARTY TRANSACTIONS- DIRECTORS

As at 30 September 2021 an amount of £12,514 (2020 : £12,514) was owed to Dr B Rees-Smith. This amount is included within creditors falling due within one year and is interest free and repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

25. RELATED PARTY DISCLOSURES

The group has taken advantage of the exemptions available under FRS 102 section 33.1A and has not disclosed transactions with wholly owned subsidiaries of immediate parent company Dixondale Limited.

The group made a loan of £8,870,502 (2020 : £8,235,457) as at 30 September 2021 to a company in which there are common directors and shareholders of Dixondale Limited. Loan interest charged was £353,611 (2020 : £338,471) for the year ended 30 September 2021. The balance is included in debtors falling due after more than one year. The loan has no fixed repayment terms or redemption date..

Included in other creditors is £15,040 (2020 : £15,040) owed by this connected company to a group undertaking. The balance is included in creditors falling due within one year. The balance is interest free and repayable on demand.

The group sold goods of £5,521,469 (2020 : £4,421,177) and made purchases of £193,827 (2020 : £136,302) from a company which Dixondale Limited has a vested interest in and meets the definition of an associate. As at 30th September 2021, £1,324,093 (2020 : £817,070) was owed from the connected company from the sale of goods. The balance is included in debtors falling due within one year.

The group sold goods of £1,092,895 (2020 : £727,164) to another company which Dixondale Limited has a vested interest in and meets the definition of an associate. As at 30th September 2021, £233,086 (2020 : £175,933) was owed from the connected company from the sale of goods. The balance is included in debtors falling due within one year.

The group made purchases of £14,000 (2020 : £14,000) from a company, a director of which is also a director of Dixondale Limited and who holds a majority shareholding. As at 30th September 2021 £9,870 (2020 : £630 owed to) was owed by the connected company. The balance is included in debtors falling due within one year.

During the year, a total of key management personnel compensation of £ 1,266,191 (2020 - £ 1,312,639) was paid.

26. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Dr B Rees-Smith.

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.