

E E BLYTH & CO LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Income Statement	9
Consolidated Other Comprehensive Income	10
Consolidated Balance Sheet	11
Company Balance Sheet	12
Consolidated Statement of Changes in Equity	13
Company Statement of Changes in Equity	14
Consolidated Cash Flow Statement	15
Notes to the Consolidated Cash Flow Statement	16
Notes to the Consolidated Financial Statements	17

E E BLYTH & CO LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS:

Dr N Blyth
Ms P A Shepherd
P E Blyth

SECRETARY:

Ms P A Shepherd

REGISTERED OFFICE:

Carlton Industrial Estate
Carlton in Lindrick
Worksop
Nottinghamshire
S81 9LB

REGISTERED NUMBER:

00808400 (England and Wales)

AUDITORS:

Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

FAIR REVIEW OF THE BUSINESS

As reported in the profit and loss account the group revenue has shown an increase in the year from £10,578,445 in 2021 to £17,859,421 in the current year, an increase of 69%. Profit after tax has increased from £312,440 in 2021 to £1,408,846 in the current year.

Overall, the directors consider the results for the year to be satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

Management continually monitor the key risks facing the group together with assessing the controls used for monitoring these risks. The group has always had a stable financial background so the directors continue to hold the opinion that the group will be able to meet its commitments to the future.

The principal risks and uncertainties facing the company are therefore as follows:

Credit Risk

The group has a policy that requires appropriate credit checks to be made on its customers. Regular reviews of customer accounts are made to ensure that payments are received within prearranged credit limits.

Economic Risk

The group provides materials for use in the steel industry and marble and similar materials for the building industry. It maintains close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties and declines in local business. Sales trends in major markets are constantly reviewed to enable early action to be taken in the event of sales declining in the sector. The group companies have close working relationships with their customers and therefore know the customers needs. The companies source appropriate materials for its customers.

Competitor Risk

The market in which the group operates is considered to be competitive and therefore competitor pressure can result in sales fluctuations. The company manages the risk by providing quality products and maintaining strong relations with its key customers because of its supplier contacts through the world.

Supplier Risk

The group purchases products from all over the world but is currently reliant on certain suppliers giving rise to potential inflationary pricing pressure and has to meet currency fluctuations. The group manages this risk by monitoring its existing suppliers against other material suppliers and by seeking alternative suppliers that may be used. The company realises its risks in currency fluctuations and manages its transactions to take advantage of any substantive movements by holding funds in certain currencies where substantial volume of business is coordinated.

Loss of key personnel

The directors acknowledge that loss of key personnel from within the group could present some operational difficulties for the company. Management seeks to ensure that key personnel are encouraged to ensure that good performance is recognised and also to encourage its existing employees to gain senior positions.

Key Performance Indicators

Management regularly monitors the performance of the group. The key performance indicators used by management are turnover, profitability and cashflow. Management also reviews gross profit margins and shareholdings levels to assess both profitability and liquidity.

ON BEHALF OF THE BOARD:

Ms P A Shepherd - Director

7 December 2022

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2022.

DIVIDENDS

After payment of the ordinary dividend of £118,000, the profit before tax attributable to ordinary shareholders of the company was £245,080. The directors will be considering a dividend payment based on the year ended 31 March 2022 but to date no amounts have been declared.

FUTURE DEVELOPMENTS

Trading for the group will continue to be competitive. The group will, however, continue its successful management policies to assist it to overcome the uncertainties, in trade and the fluctuating rates of currency exchange, in the forthcoming year. The move from European Union does not appear to have had any major effects on results to date. This is due to the groups global trading ability. The group will continue its previously successful policy of treating the world as both its supplier and market and will continue to search for further product markets for both purchases and sales.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

Dr N Blyth
Ms P A Shepherd
P E Blyth

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.

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.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Ms P A Shepherd - Director

7 December 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF E E BLYTH & CO LIMITED

Qualified opinion

We have audited the financial statements of E E Blyth & Co Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the financial position of E E Blyth & Co Limited as at 31 March 2022 and of its financial performance and its cash flows for the year then ended;
- have been 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 qualified opinion

EE Blyth & Co Limited is carrying on the Statement of Financial Position an amount in stock of £5,676,756. We are unable to obtain sufficient appropriate audit evidence relating to the existence of the stock due to the stocktake not being attended. Consequently we were unable to determine whether any adjustments to these amounts were necessary.

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 qualified 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.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
E E BLYTH & CO LIMITED**

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 three, 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 E E BLYTH & CO 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.

Detecting Irregularities

Based on our understanding of the company, we identified that the principal risks of non-compliance with the laws and regulations specific to the industry and corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation on the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and, where relevant, testing journal entries posted by senior management or with unusual combinations;
- Assessing and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Incorporating elements of unpredictability into the nature, timing and/or extent of audit procedures performed.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, 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. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
E E BLYTH & CO 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.

Andrew Cribb FCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

12 December 2022

**CONSOLIDATED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
TURNOVER	3		17,436,306		10,578,445
Cost of sales			<u>14,960,589</u>		<u>9,071,297</u>
GROSS PROFIT			<u>2,475,717</u>		<u>1,507,148</u>
Administrative expenses			<u>1,216,984</u>		<u>1,377,994</u>
			1,258,733		129,154
Other operating income	4		<u>29,920</u>		<u>263,962</u>
OPERATING PROFIT	7		<u>1,288,653</u>		<u>393,116</u>
Income from interest in associated undertakings	9	434,734		(24,986)	
Interest receivable and similar income	10	<u>25,122</u>		<u>32,749</u>	
			459,856		7,763
PROFIT BEFORE TAXATION			<u>1,748,509</u>		<u>400,879</u>
Tax on profit	11		<u>335,912</u>		<u>88,439</u>
PROFIT FOR THE FINANCIAL YEAR			<u>1,412,597</u>		<u>312,440</u>
Profit attributable to:					
Owners of the parent			1,381,513		311,460
Non-controlling interests			<u>31,084</u>		<u>980</u>
			<u>1,412,597</u>		<u>312,440</u>

The notes form part of these financial statements

**CONSOLIDATED
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
PROFIT FOR THE YEAR		1,412,597	312,440
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,412,597</u>	<u>312,440</u>
Total comprehensive income attributable to:			
Owners of the parent		1,381,513	311,460
Non-controlling interests		<u>31,084</u>	<u>980</u>
		<u>1,412,597</u>	<u>312,440</u>

The notes form part of these financial statements

**CONSOLIDATED BALANCE SHEET
31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	14		-		-
Tangible assets	15		2,734,665		2,751,589
Investments	16				
Interest in associate			650,718		481,739
Investment property	17		829,650		829,650
			<u>4,215,033</u>		<u>4,062,978</u>
CURRENT ASSETS					
Stocks	18	5,676,756		4,712,780	
Debtors	19	3,318,619		2,339,575	
Investments	20	379,742		369,947	
Cash at bank and in hand		<u>9,743,077</u>		<u>8,467,690</u>	
		19,118,194		15,889,992	
CREDITORS					
Amounts falling due within one year	21	<u>3,156,080</u>		<u>1,067,491</u>	
NET CURRENT ASSETS			<u>15,962,114</u>		<u>14,822,501</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			20,177,147		18,885,479
PROVISIONS FOR LIABILITIES	22		<u>12,181</u>		<u>7,392</u>
NET ASSETS			<u>20,164,966</u>		<u>18,878,087</u>
CAPITAL AND RESERVES					
Called up share capital	23	1,000,000		1,000,000	
Other reserves	24	1,219,684		1,219,684	
Retained earnings	24	<u>17,568,419</u>		<u>16,312,625</u>	
SHAREHOLDERS' FUNDS			<u>19,788,103</u>		<u>18,532,309</u>
NON-CONTROLLING INTERESTS	25		<u>376,863</u>		<u>345,778</u>
TOTAL EQUITY			<u>20,164,966</u>		<u>18,878,087</u>

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2022 and were signed on its behalf by:

Ms P A Shepherd - Director

**COMPANY BALANCE SHEET
31 MARCH 2022**

	Notes	2022	2021
		£	£
FIXED ASSETS			
Intangible assets	14	-	-
Tangible assets	15	2,558,544	2,558,544
Investments	16	4,467,848	4,467,848
Investment property	17	829,650	829,650
		<u>7,856,042</u>	<u>7,856,042</u>
CURRENT ASSETS			
Debtors	19	3,106,860	2,895,654
Cash at bank and in hand		<u>112,743</u>	<u>82,266</u>
		3,219,603	2,977,920
CREDITORS			
Amounts falling due within one year	21	<u>4,694</u>	<u>8,091</u>
NET CURRENT ASSETS		<u>3,214,909</u>	<u>2,969,829</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,070,951</u>	<u>10,825,871</u>
CAPITAL AND RESERVES			
Called up share capital	23	1,000,000	1,000,000
Other reserves		3,628,155	3,628,155
Retained earnings		<u>6,442,796</u>	<u>6,197,716</u>
SHAREHOLDERS' FUNDS		<u>11,070,951</u>	<u>10,825,871</u>
Company's profit for the financial year		<u>363,080</u>	<u>377,447</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2022 and were signed on its behalf by:

Ms P A Shepherd - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital £	Retained earnings £	Other reserves £
Balance at 1 April 2020	1,000,000	16,077,497	1,219,684
Changes in equity			
Dividends	-	(76,332)	-
Total comprehensive income	-	311,460	-
Balance at 31 March 2021	1,000,000	16,312,625	1,219,684
Changes in equity			
Dividends	-	(125,719)	-
Total comprehensive income	-	1,381,513	-
Balance at 31 March 2022	1,000,000	17,568,419	1,219,684
	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2020	18,297,181	344,798	18,641,979
Changes in equity			
Dividends	(76,332)	-	(76,332)
Total comprehensive income	311,460	980	312,440
Balance at 31 March 2021	18,532,309	345,778	18,878,087
Changes in equity			
Dividends	(125,719)	-	(125,719)
Total comprehensive income	1,381,513	31,084	1,412,597
Balance at 31 March 2022	19,788,103	376,862	20,164,965

The notes form part of these financial statements

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Retained earnings £	Other reserves £	Total equity £
Balance at 1 April 2020	1,000,000	5,888,269	3,628,155	10,516,424
Changes in equity				
Dividends	-	(68,000)	-	(68,000)
Total comprehensive income	-	377,447	-	377,447
Balance at 31 March 2021	1,000,000	6,197,716	3,628,155	10,825,871
Changes in equity				
Dividends	-	(118,000)	-	(118,000)
Total comprehensive income	-	363,080	-	363,080
Balance at 31 March 2022	1,000,000	6,442,796	3,628,155	11,070,951

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	1,435,574	3,285,140
Tax paid		<u>(258,255)</u>	<u>(125,676)</u>
Net cash from operating activities		<u>1,177,319</u>	<u>3,159,464</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(71,910)	-
Sale of tangible fixed assets		14,500	6,250
Interest received		25,122	32,749
Dividends received		<u>434,734</u>	<u>(24,986)</u>
Net cash from investing activities		<u>402,446</u>	<u>14,013</u>
Cash flows from financing activities			
Amounts introduced to investments		(9,795)	(13,736)
Income from foreign partnership		(168,864)	214,864
Equity dividends paid		<u>(125,719)</u>	<u>(76,332)</u>
Net cash from financing activities		<u>(304,378)</u>	<u>124,796</u>
Increase in cash and cash equivalents		<u>1,275,387</u>	<u>3,298,273</u>
Cash and cash equivalents at beginning of year	2	8,467,690	5,169,417
Cash and cash equivalents at end of year	2	<u>9,743,077</u>	<u>8,467,690</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Profit before taxation	1,748,509	400,879
Depreciation charges	87,434	100,275
Profit on disposal of fixed assets	(13,099)	(1,250)
Government grants	-	(1)
Finance income	(459,856)	(7,763)
	1,362,988	492,140
(Increase)/decrease in stocks	(964,091)	2,844,404
(Increase)/decrease in trade and other debtors	(1,044,391)	1,000,725
Increase/(decrease) in trade and other creditors	2,081,068	(1,052,129)
Cash generated from operations	1,435,574	3,285,140

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 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	9,743,077	8,467,690

Year ended 31 March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	8,467,690	5,169,417

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank and in hand	8,467,690	1,275,387	9,743,077
	8,467,690	1,275,387	9,743,077
Liquid resources			
Current asset investments	369,947	9,795	379,742
	369,947	9,795	379,742
Total	8,837,637	1,285,182	10,122,819

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. STATUTORY INFORMATION

E E Blyth & Co 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.

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.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary companies.

Significant judgements and estimates

In the application of the groups accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover

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

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.

Computer software is being amortised evenly over its estimated useful life of nil years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Tangible fixed assets, except for land and buildings, are initially recognised at cost which is the purchase price plus any directly attributed costs. Subsequently tangible fixed assets are measured at cost less depreciation and any provision for impairment. Depreciation is calculated to write off cost less estimated residual value of each asset on the following bases over their estimated useful lives.

Rates of depreciation are as follows:

Leasehold buildings - written off over 20 years from date of commencement of acquisition of properties. Plant and machinery - 10%/25% straight line
Motor vehicles - 25% reducing balance

Land and buildings are divided into two categories

(i) Freehold land and buildings

Freehold land and buildings are measured at cost with the exception of one property let as an investment, the remaining properties are all used by the subsidiary companies for the purposes of their business and trade. The subsidiary companies are responsible for the maintenance of the properties and keep them to a high standard. No revaluation has been made for these properties. The directors consider the properties to have a fair value in excess of the cost prices. They do not consider it necessary or economic to have professional valuations carried out. The properties held for business purpose are not of a depreciating nature. The need to maintain is under the control of the directors. No impairment is required as the directors do not foresee any substantial drop in the value of the properties, below their stated cost prices.

(ii) Investment land and buildings

One of the properties is held as an investment. This is let. The property value is measured at cost. No revaluation has been made of the property. The letting is on short term licence so vacant possession can be obtained at short notice. Again the directors do not consider it necessary or economic to have a professional valuation at this time. The directors consider that the property, if placed on the open market for sale should realise at least its cost price. The directors do not consider that any depreciation is required and no impairment charge is necessary.

In both the above cases the directors consider that the properties will have a fair value in excess of the cost price stated on the balance sheet.

Investments in associates

Investments in associate undertakings are recognised at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and liabilities are recognised when the group company becomes party to the contractual provisions of the financial instrument. The group holds both basic and non-basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, derivative financial instruments and equity investments.

The group has chosen to apply the measurement and recognition provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

Financial assets - classified as basic financial instruments

Cash and cash equivalents - comprise cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade and other debtors - are recognised at the transaction price. Amounts that are receivable within one year are measured at the undiscounted amount expected to be receivable, net of any impairment.

At the end of each reporting year, the group assesses whether there is objective evidence that any financial asset amount maybe impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the financial assets. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities - classified as basic financial instruments

Trade and other creditors - are measured at the transaction price. Amounts that are payable within one year are measured at the undiscounted amount expected to be payable.

Derivative financial instruments - classified as non-basic financial instruments

Derivative financial instruments are initially recognised at fair value at the date the derivative contract is entered into.

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.

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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

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 profit or loss in the period to which they relate.

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:

	2022	2021
	£	£
Metal alloy merchanting	11,764,198	5,453,635
Marble merchanting	5,621,312	5,083,597
Income from property	50,796	41,213
	<u>17,436,306</u>	<u>10,578,445</u>

4. OTHER OPERATING INCOME

	2022	2021
	£	£
Government grants	<u>29,920</u>	<u>263,962</u>

5. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	1,155,754	1,183,385
Social security costs	107,707	95,496
Other pension costs	40,096	40,409
	<u>1,303,557</u>	<u>1,319,290</u>

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

	2022	2021
Directors - main board	1	1
Directors - subsidiary board	3	3
Production & distribution	36	43
Admin	9	9
	<u>49</u>	<u>56</u>

The above figures included the directors.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

6. DIRECTORS' EMOLUMENTS

	2022	2021
	£	£
Directors' remuneration	163,979	168,222
Directors' pension contributions to money purchase schemes	<u>21,299</u>	<u>21,702</u>

Only one director is remunerated by the parent company. He is the major shareholder of E E Blyth & Co Limited. The remaining directors of the parent company are remunerated by subsidiary companies.

Details of emoluments to all group directors are as follows:-

7. OPERATING PROFIT

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

	2022	2021
	£	£
Depreciation - owned assets	87,433	100,275
Profit on disposal of fixed assets	<u>(13,099)</u>	<u>(1,250)</u>

8. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>10,825</u>	<u>9,500</u>

9. INCOME FROM INTEREST IN ASSOCIATED UNDERTAKINGS

	2022	2021
	£	£
Interest in associate undertakings	<u>434,734</u>	<u>(24,986)</u>

This is the subsidiary company's share of profit/(loss) on Tophet-Blyth LLC

10. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£	£
Deposit account interest	15,327	18,729
Curr asset inv income	<u>9,795</u>	<u>14,020</u>
	<u>25,122</u>	<u>32,749</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

11. TAXATION**Analysis of the tax charge**

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

	2022 £	2021 £
Current tax:		
UK corporation tax	331,123	97,094
Deferred tax	4,789	(8,655)
Tax on profit	<u>335,912</u>	<u>88,439</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:

	2022 £	2021 £
Profit before tax	<u>1,748,509</u>	<u>400,879</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	332,217	76,167
Effects of:		
Expenses not deductible for tax purposes	471	965
Income not taxable for tax purposes	(2,450)	(2,664)
Depreciation in excess of capital allowances	6,604	13,971
Super Deduction	(930)	-
Total tax charge	<u>335,912</u>	<u>88,439</u>

12. 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.

13. DIVIDENDS

	2022 £	2021 £
Ordinary shares of 1 each		
Final	<u>125,719</u>	<u>76,332</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. INTANGIBLE FIXED ASSETS**Group**

**Computer
software
£**

COST

At 1 April 2021	20,271
Disposals	<u>(3,550)</u>
At 31 March 2022	<u>16,721</u>

AMORTISATION

At 1 April 2021	20,271
Eliminated on disposal	<u>(3,550)</u>
At 31 March 2022	<u>16,721</u>

NET BOOK VALUE

At 31 March 2022	<u><u>-</u></u>
At 31 March 2021	<u><u>-</u></u>

15. TANGIBLE FIXED ASSETS**Group**

**Freehold
property
£**

**Short
leasehold
£**

**Plant and
machinery
£**

COST

At 1 April 2021	2,558,544	288,540	1,432,524
Additions	-	-	23,843
Disposals	-	-	<u>(141,015)</u>
At 31 March 2022	<u>2,558,544</u>	<u>288,540</u>	<u>1,315,352</u>

DEPRECIATION

At 1 April 2021	-	206,348	1,331,022
Charge for year	-	16,438	54,692
Eliminated on disposal	-	-	<u>(141,015)</u>
At 31 March 2022	<u>-</u>	<u>222,786</u>	<u>1,244,699</u>

NET BOOK VALUE

At 31 March 2022	<u><u>2,558,544</u></u>	<u><u>65,754</u></u>	<u><u>70,653</u></u>
At 31 March 2021	<u><u>2,558,544</u></u>	<u><u>82,192</u></u>	<u><u>101,502</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

15. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2021	292,938	105,467	4,678,013
Additions	37,500	10,567	71,910
Disposals	(87,593)	(79,484)	(308,092)
At 31 March 2022	<u>242,845</u>	<u>36,550</u>	<u>4,441,831</u>
DEPRECIATION			
At 1 April 2021	283,652	105,402	1,926,424
Charge for year	14,916	1,387	87,433
Eliminated on disposal	(86,192)	(79,484)	(306,691)
At 31 March 2022	<u>212,376</u>	<u>27,305</u>	<u>1,707,166</u>
NET BOOK VALUE			
At 31 March 2022	<u>30,469</u>	<u>9,245</u>	<u>2,734,665</u>
At 31 March 2021	<u>9,286</u>	<u>65</u>	<u>2,751,589</u>

Company

	Freehold property £
COST	
At 1 April 2021 and 31 March 2022	<u>2,558,544</u>
NET BOOK VALUE	
At 31 March 2022	<u>2,558,544</u>
At 31 March 2021	<u>2,558,544</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

16. FIXED ASSET INVESTMENTS

Group

	Interest in associate £
COST	
At 1 April 2021	481,739
Share of profit/(loss)	<u>168,979</u>
At 31 March 2022	<u>650,718</u>
NET BOOK VALUE	
At 31 March 2022	<u>650,718</u>
At 31 March 2021	<u>481,739</u>

Interest in associate

The group investment is stated at the cost price of £108,894 and comprises a 40% shareholding in Blyth & Co (Japan) Limited (£108,894 at 31 March 2021).

Based on the latest available accounts to 31 March 2022 the capital and reserves of Blyth & Co (Japan) Limited at that date, were £1,822,832 (£2021:£1,766,443). The profit of Blyth & Co (Japan) Limited for the year ended March 2022 was £47,411 (2021: £56,314). Conversion from Yen to Sterling at 31 March 2022 was taken at Yen 159.66 to £1.

The groups 40% interest at 31 March 2022 was therefore:-

Capital and reserves	£729,133	(2021: £706,567)
Share of net profit before tax	£18,964	(2021: £22,525)

Company

	Shares in group undertakings £
COST	
At 1 April 2021 and 31 March 2022	<u>4,467,848</u>
NET BOOK VALUE	
At 31 March 2022	<u>4,467,848</u>
At 31 March 2021	<u>4,467,848</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

16. FIXED ASSET INVESTMENTS - continued

The above investments are unlisted.

Shareholding in group subsidiary companies are as follows:

- 89.8% of Preferred ordinary shares in Blyth Marble Limited
- 98.4% of Ordinary shares in Blyth Marble Limited
- 100% of Ordinary shares in Blyth Metals Limited

17. INVESTMENT PROPERTY

The cost value of the properties has been considered by the directors and is deemed to be not materially different to the cost price.

Company

FAIR VALUE

At 1 April 2021
and 31 March 2022

**Total
£**

829,650

NET BOOK VALUE

At 31 March 2022
At 31 March 2021

829,650

829,650

18. STOCKS

Group

**2022 2021
£ £**

Stocks	<u>5,676,756</u>	<u>4,712,780</u>
--------	-------------------------	-------------------------

19. DEBTORS

Group

**2022 2021
£ £**

Company

**2022 2021
£ £**

Amounts falling due within one year:

Trade debtors	3,031,380	2,231,979	-	-
Amounts owed by group undertakings	-	-	3,104,617	2,891,391
Other debtors	1,732	1,649	873	893
Loans	6,810	2,600	-	-
Tax	7,558	-	-	-
VAT	233,506	-	-	-
Prepayments	<u>37,633</u>	<u>30,442</u>	<u>1,370</u>	<u>1,160</u>
	<u>3,318,619</u>	<u>2,266,670</u>	<u>3,106,860</u>	<u>2,893,444</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

19. **DEBTORS - continued**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due after more than one year:				
Tax	<u>-</u>	<u>72,905</u>	<u>-</u>	<u>2,210</u>
Aggregate amounts	<u>3,318,619</u>	<u>2,339,575</u>	<u>3,106,860</u>	<u>2,895,654</u>

20. **CURRENT ASSET INVESTMENTS**

	Group	
	2022	2021
	£	£
Other	<u>379,742</u>	<u>369,947</u>

21. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	3,029,490	717,413	325	194
Tax	15,782	8,261	732	2,924
Social security and other taxes	45,504	31,402	-	-
Other taxation	-	821	-	821
VAT	-	254,998	-	-
Other creditors	7,594	2,417	-	-
Accruals and deferred income	<u>57,710</u>	<u>52,179</u>	<u>3,637</u>	<u>4,152</u>
	<u>3,156,080</u>	<u>1,067,491</u>	<u>4,694</u>	<u>8,091</u>

22. **PROVISIONS FOR LIABILITIES**

	Group	
	2022	2021
	£	£
Deferred tax	<u>12,181</u>	<u>7,392</u>

Group

	Deferred tax
	£
Balance at 1 April 2021	7,392
Charge to Income Statement during year	<u>4,789</u>
Balance at 31 March 2022	<u>12,181</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
482,909	Ordinary	1	482,909	482,909
422,532	"A" Ordinary (Marble)	1	422,532	422,532
94,559	"B" Ordinary (metals)	1	94,559	94,559
			1,000,000	1,000,000

The rights attached to each class of share are as follows:

"A" Ordinary (Marble) shares

Income

After making due provision for taxation the "A" Ordinary (Marble) shareholders will participate in all income accruing to the "A" Ordinary (Marble) share revenue reserve in the company balance sheet.

Capital

On a liquidation or winding up of the company the "A" Ordinary (Marble) shareholders will be entitled to receive the full value of the investment, held by E E Blyth & Co Limited, in Blyth Marble Limited together with any surplus on revenue reserves relating to the "A" Ordinary (Marble) shares.

Voting

Restricted rights. Shareholders are only entitled to vote on matters relating to their class of shares.

"B" Ordinary (Metals) shares

Income

After making due provision for taxation the "B" Ordinary (Metals) shareholders will participate in all income accruing to the "B" Ordinary (Metals) share revenue in the company balance sheet.

Capital

On a liquidation or winding up of the company the "B" Ordinary (Metals) shareholders will be entitled to receive the full value of the investment, held by E E Blyth & Co Limited in Blyth Metals Limited together with any surplus on revenue reserves relating to the "B" Ordinary (Metals) shares.

Voting

Restricted rights. Shareholders are only entitled to vote on matters relating to their class of shares.

Ordinary shares

Income

The ordinary shareholders will participate in all income arising to the company except for those items referred specifically to above relating to the "A" Ordinary (Marble) shareholders and "B" Ordinary (Metals) shareholders.

Capital

After payment of all liabilities the ordinary shareholders will participate in all the assets of the company remaining after the distribution of the items specifically referred to above relating to the "A" Ordinary (Marble) shareholders and "B" Ordinary (Metals) shareholders.

Voting

All ordinary shareholders are entitled to unrestricted voting rights.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

24. RESERVES

Group	Retained earnings £	Other reserves £	Totals £
At 1 April 2021	16,312,625	1,219,684	17,532,309
Profit for the year	1,381,513		1,381,513
Dividends	(125,719)		(125,719)
At 31 March 2022	<u>17,568,419</u>	<u>1,219,684</u>	<u>18,788,103</u>

25. NON-CONTROLLING INTERESTS

Included in the share capital of the company is £1,000,000. This is divided as to 950,000 preferred ordinary shares and 50,000 ordinary shares. As at 31st March 2021 one director of this company had a minority shareholding. The holding was 15,300 preferred ordinary shares (1.60%) and 5,100 ordinary shares (10.2%).

	Blyth Marble Limited £
Minority interest in subsidiary companies	
Interest in net assets	
Interest in Preferred ordinary shares	£15,300
Equity interest (ordinary shares)	£361,572
Minority interest	£376,872
Movements in minority interest	
As at 1st April 2021	£345,778
Interest in profit for the year	£31,084
As at 31st March 2022	£376,872

26. CONTINGENT LIABILITIES

As at 31st March 2022 there the following contingent liabilities arising within the group.

An indemnity has been given to bankers in respect of any outstanding documentary credits, forward currency contracts and acceptance that maybe in operation from time to time.

Certain group companies have given bankers a fixed and floating charge over certain of their assets. A contingent charge could arise if bankers foreclose on its charges. The directors are not aware of any circumstances that could arise which would give its bankers cause to foreclose.

Apart from the above and normal trade warranties the directors know of no other significant contingent liabilities as at 31 March 2022.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

27. OTHER FINANCIAL COMMITMENTS

At 31st March 2022 the group was not committed to making any external payments under non-cancellable operating leases in the year to 31st March 2022. There are commitments in individual subsidiary companies but these are eliminated within the group.

There are group commitments in existence for forward exchange contracts most of which are short-term and were met by the date of this report. The group had maximum bank borrowing facilities of £907,000 and a foreign exchange facility of £500,000 if in use the facilities are repayable on demand.

28. ULTIMATE CONTROLLING PARTY

The controlling party is P E Blyth.

Mr P E Blyth owns 99.1% of the parent company's share capital.

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.