

Company registration number 03584723 (England and Wales)

# **MULTI-PLY COMPONENTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**



**MULTI-PLY COMPONENTS LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	Mr A Dahlberg Ms K Ekblad Mr P D Appleton	(Appointed 22 August 2023)
<b>Secretary</b>	Ms S Kelsall	
<b>Company number</b>	03584723	
<b>Registered office</b>	Nexus Building Amy Johnson Way Blackpool FY4 2FF	
<b>Auditor</b>	MHA Richard House 9 Winckley Square Preston PR1 3HP	

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# **MULTI-PLY COMPONENTS LIMITED**

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# **MULTI-PLY COMPONENTS LIMITED**

## **STRATEGIC REPORT**

### **FOR THE PERIOD ENDED 31 DECEMBER 2023**

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The directors present the strategic report for the period ended 31 December 2023.

#### **Principal activities**

The principal activity of the company continued to be that of the design and manufacture of carbon fibre components, primarily for the medical x-ray market.

#### **Review of the business**

In 2023 the Company's accounting period end was changed from 30th June to 31st December, to align with the MedCap AB publ group reporting period.

The results for the 18 month period ended 31st December 2023 are set out in the profit and loss account on page 10.

The period began with continued strong sales, following the Company's growth in the year ended 30th June 2022. Sales then fell slightly between January and June 2023 as there was a temporary reduction in demand from the Company's largest customer due to external factors within their operations. Sales to other customers remained strong throughout the period, and costs were managed such that the Company retained its profit level. Sales to the largest customer returned to normal levels in the third quarter of 2023, and record sales were achieved in October 2023.

In August 2023 there was a change in leadership, with the Company's former Managing Director, Peter Appleton, returning to oversee the business direction.

#### **Principal risks and uncertainties**

The Company has a comprehensive system of risk management and internal controls, which form an integral part of the business process. The risks and uncertainties which are currently judged to have the greatest impact on the Company's performance are noted below.

The Company has a successful track record of managing these risks and uncertainties. The directors are confident that they have put in place a strong management team and appropriate mitigating measures, capable of dealing with the issues identified below as they arise.

#### **Economic risk**

Deterioration in general economic conditions, or in the healthcare market in particular, may affect customer demand. During the period ended 31st December 2023, 95% of sales were exports, to 17 different countries worldwide, therefore demand is subject to global economic factors.

Sales are made in customers' currencies (primarily Euro and US Dollar), therefore movements in exchange rates tend not to affect customer demand. However, this means that the Pound Sterling value of sales is subject to foreign exchange movements, to the extent that they cannot be passed on in the form of higher prices.

High inflation, both in the UK and globally, impacted the Company during the period, increasing the cost of labour, raw materials and operating expenses.

#### **Financial risk**

The management of financial risks faced by the Company is governed by policies reviewed and approved by the board of directors. These policies primarily cover liquidity risk, competition risk and currency risk. The primary objective of the Company's policies is to minimise financial risk at reasonable cost. The Company does not trade in financial instruments.

The Company uses cash resources, including the MedCap group cash pool arrangements, to finance its operations. Borrowing from and lending to the group cash pool is subject to interest charges based on market rates, compliant with transfer pricing regulations.

## **MULTI-PLY COMPONENTS LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE PERIOD ENDED 31 DECEMBER 2023**

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During the year ended 30th June 2022 the Company took a loan from its parent company, MedCap AB publ, to fund the fit out of the new production facility, but this was repaid in full and replaced with cash pool borrowing in October 2022.

#### **Liquidity risk**

The Company ensures that it has sufficient financing facilities available through cash flow generated from operating activities and cash pool facilities to meet its short and medium term funding requirements. It has not entered into any long term borrowing arrangements.

#### **Competition risk**

The Company is a market leader, particularly in the mammography market. However, it does face competition and if it fails to compete successfully market share and profitability may decline.

The directors of the Company manage competition risk through building strong, long term customer relationships, developing innovative products, and investment in connecting with new customers and markets.

#### **Currency risk**

The Company makes sales in currencies other than Pounds Sterling: 56% of sales were in Euros and 33% were in US Dollars in the period ended 31st December 2023. The value of these sales is therefore subject to movement in exchange rates.

The Company also makes purchases in currencies other than Pounds Sterling, primarily being carbon fibre purchased from the EU. The cost of material is therefore subject to movement in exchange rates, which offsets against the impact of any exchange movement on sales.

The Company manages payments and receipts through operation of Euro and US Dollar currency bank accounts. As a result of the level of the Company's foreign currency denominated sales and purchases, its financial assets, liabilities and cash flows can be affected by movements in exchange rates.

#### **Other information and explanations**

Managing Director Peter Appleton adds: *"Our priority in the second half of 2023 was a combination of correcting some of the business fundamentals and continuing to improve customer relationships. We have made significant progress on the key challenges we were facing. Our investment in a new build facility, and recruitment of talent means we are now in a very strong position to assure business growth based on our technical capabilities, and our focus on delivering customer satisfaction."*

On behalf of the board

**Mr P D Appleton**  
**Director**

13 August 2024

## **MULTI-PLY COMPONENTS LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE PERIOD ENDED 31 DECEMBER 2023**

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The directors present their annual report and financial statements for the period ended 31 December 2023.

#### **Results and dividends**

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr A Dahlberg

Ms K Ekblad

Mr D N Dowdall

Mr S Backlund

(Resigned 22 August 2023)

(Appointed 14 December 2022 and resigned 22 August 2023)

Mr P D Appleton

(Appointed 22 August 2023)

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### **Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

**Mr P D Appleton**

**Director**

13 August 2024

## **MULTI-PLY COMPONENTS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2023**

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

## **MULTI-PLY COMPONENTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF MULTI-PLY COMPONENTS LIMITED**

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#### **Opinion**

We have audited the financial statements of Multi-Ply Components Limited (the 'company') for the period ended 31 December 2023 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

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

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

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

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.



# **MULTI-PLY COMPONENTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF MULTI-PLY COMPONENTS LIMITED (CONTINUED)**

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Auditing the risk of fraud in revenue, including through the testing of income cut off at the period end and through sales transaction testing to provide comfort that revenue is completely stated in the financial statements;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Reviewing board minutes;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

## **MULTI-PLY COMPONENTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF MULTI-PLY COMPONENTS LIMITED (CONTINUED)**

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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 instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

The comparatives were not audited, as the company was eligible to claim exemption from a statutory audit under section 477 of the Companies Act 2006.

#### **Use of our report**

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

#### **Virginia Cooper FCA**

Senior Statutory Auditor  
For and on behalf of MHA, Statutory Auditor  
Preston, United Kingdom

14 August 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

## MULTI-PLY COMPONENTS LIMITED

### STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE PERIOD ENDED 31 DECEMBER 2023

		Period ended 31 December 2023 £	Year ended 30 June 2022 £
	Notes		
<b>Turnover</b>	<b>2</b>	9,433,970	6,457,384
Cost of sales		(3,368,428)	(2,131,725)
<b>Gross profit</b>		6,065,542	4,325,659
Administrative expenses		(5,741,121)	(3,858,844)
Other operating income		7,038	5,082
<b>Operating profit</b>	<b>3</b>	331,459	471,897
Interest receivable and similar income	<b>7</b>	6,286	301
Interest payable and similar expenses	<b>8</b>	(20,111)	(14,191)
<b>Profit before taxation</b>		317,634	458,007
Tax on profit	<b>9</b>	(88,574)	(126,200)
<b>Profit for the financial period</b>		229,060	331,807
Retained earnings brought forward		4,433,700	4,101,893
Retained earnings carried forward		4,662,760	4,433,700

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# MULTI-PLY COMPONENTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2023

		31 December 2023		30 June 2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	10		212,500		287,500
Tangible assets	11		3,902,827		4,121,396
			<u>4,115,327</u>		<u>4,408,896</u>
<b>Current assets</b>					
Stocks	12	1,199,393		718,169	
Debtors	13	1,014,403		1,159,728	
Cash at bank and in hand		-		497,373	
			<u>2,213,796</u>	<u>2,375,270</u>	
<b>Creditors: amounts falling due within one year</b>	14	(947,887)		(536,969)	
<b>Net current assets</b>			<u>1,265,909</u>		<u>1,838,301</u>
<b>Total assets less current liabilities</b>			<u>5,381,236</u>		<u>6,247,197</u>
<b>Creditors: amounts falling due after more than one year</b>	15		-	(1,200,000)	
<b>Provisions for liabilities</b>					
Deferred tax liability	17	408,505		303,526	
		<u>408,505</u>	<u>(408,505)</u>	<u>303,526</u>	<u>(303,526)</u>
<b>Net assets</b>			<u>4,972,731</u>		<u>4,743,671</u>
<b>Capital and reserves</b>					
Called up share capital	19		2		2
Share premium account			309,969		309,969
Profit and loss reserves			4,662,760		4,433,700
<b>Total equity</b>			<u>4,972,731</u>		<u>4,743,671</u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 13 August 2024 and are signed on its behalf by:

**Mr P D Appleton**  
**Director**

**Company registration number 03584723 (England and Wales)**

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 DECEMBER 2023

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#### 1 Accounting policies

##### Company information

Multi-Ply Components Limited is a private company limited by shares incorporated in England and Wales. The registered office is Nexus Building, Amy Johnson Way, Blackpool, FY4 2FF.

##### 1.1 Reporting period

The current reporting period covers 1 July 2022 to 31 December 2023, a period of eighteen months, which is not directly comparable with the previous period, which covered the twelve month period from 1 July 2021 to 30 June 2022. The reporting date has been changed to align with its parent company.

##### 1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of MedCap AB (publ). These consolidated financial statements are available from its registered office, Östra Södraströmsvägen 1, Solna, 171 73, Sweden.

##### 1.3 Going concern

Multi-Ply Components Limited experienced a rise in customer demand which increased sales throughout the period ended 31 December 2023. Multi-Ply Components is expecting the increase in demand to continue into the future with a target of £8m turnover by the year ended 31 December 2024.

After considering the above, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2023

#### 1 Accounting policies

(Continued)

##### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and settlement discounts.

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

##### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

##### 1.6 Tangible fixed assets

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

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

Land and buildings	4% straight line
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the 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 an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.9 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

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### 1 Accounting policies

(Continued)

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.



# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2023

#### 1 Accounting policies

(Continued)

##### 1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

##### 1.16 Foreign exchange

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 in the period are included in profit or loss.

#### 2 Turnover and other revenue

	2023 £	2022 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	475,476	191,514
Europe	5,211,148	3,120,777
Rest of the world	3,747,346	3,145,093
	<u>9,433,970</u>	<u>6,457,384</u>
	<b>2023 £</b>	<b>2022 £</b>
<b>Other revenue</b>		
Interest income	6,286	301
Grants received	-	462
	<u></u>	<u></u>

## MULTI-PLY COMPONENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE PERIOD ENDED 31 DECEMBER 2023

#### 3 Operating profit

	2023	2022
	£	£
Operating profit for the period is stated after charging/(crediting):		
Government grants	-	(462)
Depreciation of owned tangible fixed assets	491,780	270,717
(Profit)/loss on disposal of tangible fixed assets	-	332,583
Amortisation of intangible assets	75,000	50,000
Operating lease charges	365,427	179,576
	<u>          </u>	<u>          </u>

#### 4 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	19,100	-
	<u>          </u>	<u>          </u>

#### 5 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2023	2022
	Number	Number
Manufacturing staff	57	62
Administrative staff	13	13
	<u>          </u>	<u>          </u>
Total	70	75
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	3,137,697	2,050,983
Social security costs	298,910	201,158
Pension costs	83,466	56,671
	<u>          </u>	<u>          </u>
	3,520,073	2,308,812
	<u>          </u>	<u>          </u>

#### 6 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	329,165	179,293
	<u>          </u>	<u>          </u>

## MULTI-PLY COMPONENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

#### 6 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	200,215	-

As total directors' remuneration was less than £200,000 in the prior period, no disclosure is provided for that period.

#### 7 Interest receivable and similar income

	2023 £	2022 £
<b>Interest income</b>		
Interest on bank deposits	6,286	71
Other interest income	-	230
Total income	6,286	301

#### 8 Interest payable and similar expenses

	2023 £	2022 £
Interest payable to group undertakings	20,111	14,191

#### 9 Taxation

	2023 £	2022 £
<b>Current tax</b>		
Adjustments in respect of prior periods	(16,405)	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	104,979	126,200
Total tax charge	88,574	126,200

## MULTI-PLY COMPONENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

#### 9 Taxation

(Continued)

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	317,634	458,007
Expected tax charge based on the standard rate of corporation tax in the UK of 22.01% (2022: 19.00%)	69,911	87,021
Tax effect of expenses that are not deductible in determining taxable profit	31,663	47,011
Tax effect of income not taxable in determining taxable profit	(9,154)	(52,415)
Adjustments in respect of prior years	(16,420)	18,810
Effect of change in corporation tax rate	12,574	25,773
Taxation charge for the period	88,574	126,200

#### 10 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 July 2022 and 31 December 2023	1,000,000
<b>Amortisation and impairment</b>	
At 1 July 2022	712,500
Amortisation charged for the period	75,000
At 31 December 2023	787,500
<b>Carrying amount</b>	
At 31 December 2023	212,500
At 30 June 2022	287,500

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

### 11 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 July 2022	3,391,471	1,673,950	183,660	22,701	5,271,782
Additions	31,643	198,877	42,691	-	273,211
	<u>3,423,114</u>	<u>1,872,827</u>	<u>226,351</u>	<u>22,701</u>	<u>5,544,993</u>
At 31 December 2023	3,423,114	1,872,827	226,351	22,701	5,544,993
<b>Depreciation and impairment</b>					
At 1 July 2022	83,697	963,680	90,100	12,909	1,150,386
Depreciation charged in the period	202,217	250,776	35,008	3,779	491,780
	<u>285,914</u>	<u>1,214,456</u>	<u>125,108</u>	<u>16,688</u>	<u>1,642,166</u>
At 31 December 2023	285,914	1,214,456	125,108	16,688	1,642,166
<b>Carrying amount</b>					
At 31 December 2023	<u>3,137,200</u>	<u>658,371</u>	<u>101,243</u>	<u>6,013</u>	<u>3,902,827</u>
At 30 June 2022	<u>3,307,774</u>	<u>710,270</u>	<u>93,560</u>	<u>9,792</u>	<u>4,121,396</u>

### 12 Stocks

	2023 £	2022 £
Raw materials and consumables	635,829	348,605
Work in progress	411,563	272,392
Finished goods and goods for resale	152,001	97,172
	<u>1,199,393</u>	<u>718,169</u>

### 13 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	842,446	980,739
Other debtors	46,818	68,512
Prepayments and accrued income	125,139	110,477
	<u>1,014,403</u>	<u>1,159,728</u>

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

### 14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	16	403,108	-
Trade creditors		249,741	243,600
Amounts owed to group undertakings		-	2,564
Taxation and social security		47,630	60,584
Accruals and deferred income		247,408	230,221
		<u>947,887</u>	<u>536,969</u>

### 15 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Amounts owed to group undertakings	-	1,200,000
	<u>-</u>	<u>1,200,000</u>

### 16 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	403,108	-
	<u>403,108</u>	<u>-</u>
Payable within one year	403,108	-
	<u>403,108</u>	<u>-</u>

### 17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
<b>Balances:</b>		
Fixed asset timing differences	694,386	711,293
Short term timing differences	13,155	1,343
Losses	(299,036)	(409,110)
	<u>408,505</u>	<u>303,526</u>

# MULTI-PLY COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

### 17 Deferred taxation

(Continued)

	2023 £
<b>Movements in the period:</b>	
Liability at 1 July 2022	303,526
Charge to profit or loss	104,979
	<u>408,505</u>
Liability at 31 December 2023	<u>408,505</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

### 18 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	83,466	56,671
	<u>83,466</u>	<u>56,671</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 19 Share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of 0.002p each	107,777	107,777	2	2
	<u>107,777</u>	<u>107,777</u>	<u>2</u>	<u>2</u>

### 20 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	125,519	127,486
Between two and five years	866,485	743,471
In over five years	4,499,460	4,873,984
	<u>5,491,464</u>	<u>5,744,941</u>

## MULTI-PLY COMPONENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE PERIOD ENDED 31 DECEMBER 2023

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#### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2023 £	2022 £
Acquisition of tangible fixed assets	-	69,686
	<u>          </u>	<u>          </u>

#### 23 Ultimate controlling party

The ultimate parent company is MedCap AB (publ), a company incorporated in Sweden. The registered office of MedCap AB (publ) is Sundbybergsvägen 1, Solna, 171 73, Sweden. Copies of the Group's annual financial statements are publicly available at <https://medcap.se/en/investors/financial-information/annual-reports/>.



