REGISTERED NUMBER: 03191947 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 December 2020

for

Alpha-Cure Limited

Contents of the Financial Statements
for the Year Ended 31 December 2020

Company Information
for the Year Ended 31 December 2020

DIRECTORS:	S P Atherstone S Haines M A Slater K Baier
SECRETARY:	M A Slater
REGISTERED OFFICE:	Leonard House Great Central Way Woodford Halse Daventry Northamptonshire NN11 3PZ
REGISTERED NUMBER:	03191947 (England and Wales)
AUDITORS:	CED Accountancy Services Limited Registered Auditors Chartered Accountants 1 Lucas Bridge Business Park Old Greens Norton Road Towcester Northamptonshire NN12 8AX
BANKERS:	National Westminster Bank Plc Grange Park Court Roman Way Grange Park Northampton NN4 5EA
SOLICITORS:	Howes Percival Oxford House Northampton Northamptonshire NN1 5PN

Strategic Report
for the Year Ended 31 December 2020

The directors present their strategic report for the year ended 31 December 2020.

REVIEW OF BUSINESS
The directors report that the company has performed well.

We aim to present a balanced and comprehensive review of the development and performance of the company during the year and its position at the year end. Our review is consistent with the size and non-complex nature of the company and is written in the context of the risks and uncertainties we face.

We consider the key performance indicators for the group are those that communicate the financial performance and strength of the group as a whole, these being turnover and gross margin.

Turnover has increased by 3.18%, however the gross profit margin has decreased by 2.69%, leading to an overall decrease in net profit margin for the year of 1.22%.

The continuing development of new products and innovative manufacturing processes, along with improvements made to the usable lives of existing products, have significantly contributed to the group's continued growth and keeps the Alpha-Cure brand at the forefront of the UV and Metal Halide lamp industry.

With our knowledge of the industry and focussed direction of management, we feel confident that the company will be able to maintain our business throughout at least the next year.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risk identified for future prospects relates to the global economic environment and the recovery from the global Covid-19 pandemic.

Brexit Risk
The principal risk identified for the company's future prospects in previous years was the withdrawal of the UK from the European Union. As of the 1st January 2021 due to the agreements that were made in relation to trading agreements the Company has not seen any major effects.

FINANCIAL KEY PERFORMANCE INDICATORS
The Directors have monitored the progress of the overall company strategy and the individual strategic elements by reference to certain financial key performance indicators.

Turnover: £8,670,189 (2019 - £8,403,368)
Gross profit margin: 36.9% (2019 - 39.6%)

ON BEHALF OF THE BOARD:

M A Slater - Director

15 November 2021

Report of the Directors
for the Year Ended 31 December 2020

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of the manufacture of ultra violet curing lamps.

DIVIDENDS
Interim dividends per share were paid during the year as follows:

Ordinary A £1	- £8657.69	- 31 December 2020
Ordinary B £1	- £8657.69	- 31 December 2020

The total distribution of dividends for the year ended 31 December 2020 will be £ 900,400 .

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

S P Atherstone
S Haines
M A Slater
K Baier

FINANCIAL INSTRUMENTS
The company uses various financial instruments including cash, trade debtors, and trade creditors that arise directly from the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risks arising from the company's financial instruments are liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below:

LIQUIDITY RISK
The company seeks to manage finance risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

INTEREST RATE RISK
The company finances its operations through a mixture of retained profits and cash balances. Cash is managed to maximise income from interest while avoiding inherent risk.

CREDIT RISK
The company's principle financial assets are cash and trade debtors.

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

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

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

ON BEHALF OF THE BOARD:

M A Slater - Director

15 November 2021

Opinion
We have audited the financial statements of Alpha-Cure Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- The engagement partner ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment environmental and health and safety legislation;

-
we assessed the extent of compliance with the laws and regulations identified above;

- we communicated identified laws and regulations within the audit team who remained alert to instances of non-compliance.

We assessed the susceptibility of the company's financial statements to material misstatement including obtaining an understanding of how fraud might occur, by;

- making enquiries of management as to whether they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

In response to the risk of non-compliance with laws and regulations, we designed procedures which included, but were not limited to;

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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.

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.

Clifford Davidson BSc FCA (Senior Statutory Auditor)
for and on behalf of CED Accountancy Services Limited
Registered Auditors
Chartered Accountants
1 Lucas Bridge Business Park
Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

15 November 2021

Income Statement
for the Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.20 £	31.12.19 £	31.12.19 £
TURNOVER			**8,670,189**		8,403,368
Cost of sales			**5,469,657**		5,075,634
GROSS PROFIT			**3,200,532**		3,327,734
Distribution costs		**598,241**		636,494	
Administrative expenses		**1,037,206**		1,155,471	
			1,635,447		1,791,965
			1,565,085		1,535,769
Other operating income			**3,771**		-
OPERATING PROFIT	4		**1,568,856**		1,535,769
Interest payable and similar expenses	5		**30,421**		33,614
PROFIT BEFORE TAXATION			**1,538,435**		1,502,155
Tax on profit	6		**178,271**		81,340
PROFIT FOR THE FINANCIAL YEAR			**1,360,164**		1,420,815

The notes form part of these financial statements

Balance Sheet
31 December 2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Intangible assets	8		**1,529**		1,817
Tangible assets	9		**613,558**		581,590
Investments	10		**4,814,000**		4,814,000
			5,429,087		5,397,407
CURRENT ASSETS					
Stocks	11	**1,312,940**		1,285,678	
Debtors	12	**2,460,571**		2,343,470	
Cash at bank		**237,464**		-	
		4,010,975		3,629,148	
CREDITORS					
Amounts falling due within one year	13	**6,693,882**		6,687,186	
NET CURRENT LIABILITIES			**(2,682,907)**		(3,058,038)
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,746,180**		2,339,369
CREDITORS					
Amounts falling due after more than one year	14		**(81,275)**		(142,294)
PROVISIONS FOR LIABILITIES	18		**(112,014)**		(103,948)
NET ASSETS			**2,552,891**		2,093,127
CAPITAL AND RESERVES					
Called up share capital	19		**104**		104
Share premium	20		**287,991**		287,991
Capital redemption reserve	20		**5**		5
Retained earnings	20		**2,264,791**		1,805,027
SHAREHOLDERS' FUNDS			**2,552,891**		2,093,127

The notes form part of these financial statements

continued...

Balance Sheet - continued
31 December 2020

The financial statements were approved by the Board of Directors and authorised for issue on 15 November 2021 and were signed on its behalf by:

S Haines - Director

M A Slater - Director

Statement of Changes in Equity
for the Year Ended 31 December 2020

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2019	95	1,164,612	-	5	1,164,712
Changes in equity					
Issue of share capital	9	-	287,991	-	288,000
Dividends	-	(780,400)	-	-	(780,400)
Total comprehensive income	-	1,420,815	-	-	1,420,815
Balance at 31 December 2019	104	1,805,027	287,991	5	2,093,127
Changes in equity					
Dividends	-	(900,400)	-	-	(900,400)
Total comprehensive income	-	1,360,164	-	-	1,360,164
Balance at 31 December 2020	104	2,264,791	287,991	5	2,552,891

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	**1,512,648**	1,347,694
Interest paid		**(26,308)**	(27,881)
Interest element of hire purchase payments paid		**(4,113)**	(5,733)
Tax paid		**(124,389)**	(140,522)
Net cash from operating activities		**1,357,838**	1,173,558
Cash flows from investing activities			
Purchase of tangible fixed assets		**(131,876)**	(51,907)
Purchase of fixed asset investments		**-**	(4,814,000)
Net cash from investing activities		**(131,876)**	(4,865,907)
Cash flows from financing activities			
Movement in intercompany loans		**118,808**	4,076,761
Capital repayments in year		**(40,105)**	(72,653)
Amount introduced by directors		**40,001**	10,000
Amount withdrawn by directors		**(12,760)**	(18,824)
Share issue		**-**	9
Share buyback		**-**	287,991
Equity dividends paid		**(900,400)**	(780,400)
Net cash from financing activities		**(794,456)**	3,502,884
Increase/(decrease) in cash and cash equivalents		**431,506**	(189,465)
Cash and cash equivalents at beginning of year	2	**(194,042)**	(4,577)
Cash and cash equivalents at end of year	2	**237,464**	(194,042)

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2020

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

	31.12.20	31.12.19
	£	£
Profit before taxation	1,538,435	1,502,155
Depreciation charges	100,197	104,227
Finance costs	30,421	33,614
	1,669,053	1,639,996
Increase in stocks	(27,262)	(187,167)
Increase in trade and other debtors	(167,349)	(39,591)
Increase/(decrease) in trade and other creditors	38,206	(65,544)
Cash generated from operations	1,512,648	1,347,694

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 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	237,464	-
Bank overdrafts	-	(194,042)
	237,464	(194,042)

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Bank overdrafts	(194,042)	(4,577)

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2020

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

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank	-	237,464	237,464
Bank overdrafts	(194,042)	194,042	-
	(194,042)	431,506	237,464
Debt			
Finance leases	(76,109)	17,605	(58,504)
Debts falling due within 1 year	(28,710)	(4,073)	(32,783)
Debts falling due after 1 year	(83,790)	26,573	(57,217)
	(188,609)	40,105	(148,504)
Total	(382,651)	471,611	88,960

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

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

Preparation of consolidated financial statements
The financial statements contain information about Alpha-Cure Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. Alpha-Cure Group Limited, Leonard House Great Central Way, Woodford Halse, Daventry, England, NN11 3PZ.

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.

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

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	- 15% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 25% on reducing balance

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

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

continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, bank overdrafts, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest rate method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in a case of an out-right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive if the asset were to be sold at the reporting date.

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

Current or deferred taxation assets and liabilities are not discounted.

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

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

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

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

continued...

2. **ACCOUNTING POLICIES - continued**

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

	31.12.20	31.12.19
	£	£
Wages and salaries	**1,572,228**	1,405,549
Social security costs	**137,078**	118,388
Other pension costs	**90,165**	64,109
	1,799,471	1,588,046

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

	31.12.20	31.12.19
Production	**32**	28
Sales	**11**	14
Admin (clerical)	**9**	9
Technical	**1**	-
	53	51

	31.12.20	31.12.19
	£	£
Directors' remuneration	**116,923**	115,620
Directors' pension contributions to money purchase schemes	**40,890**	16,362

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

Money purchase schemes	**3**	3

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4. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.20	31.12.19
	£	£
Depreciation - owned assets	**84,237**	85,503
Depreciation - assets on hire purchase contracts	**15,671**	18,436
Patents and licences amortisation	**288**	288
Auditors' remuneration	**9,000**	9,000

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.20	31.12.19
	£	£
Bank interest	**19,899**	19,884
Bank loan interest	**-**	(128)
Pension loan interest	**4,048**	6,594
HMRC interest	**2,361**	1,531
Hire purchase	**4,113**	5,733
	30,421	33,614

6. TAXATION

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

	31.12.20	31.12.19
	£	£
Current tax:		
UK corporation tax	**212,482**	232,847
Prior year over/underprovision	**(42,277)**	(143,551)
Total current tax	**170,205**	89,296
Deferred tax	**8,066**	(7,956)
Tax on profit	**178,271**	81,340

continued...

6. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.20	31.12.19
	£	£
Profit before tax	1,538,435	1,502,155
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	292,303	285,409
Effects of:		
Expenses not deductible for tax purposes	1,822	4,559
Capital allowances in excess of depreciation	(6,643)	-
Depreciation in excess of capital allowances	-	9,379
Adjustments to tax charge in respect of previous periods	(42,277)	(143,551)
Legal fees provision accrued in prior year	-	(9,500)
R&D/Patent Box enhanced deduction estimate	(75,000)	(57,000)
Deferred tax	8,066	(7,956)
Total tax charge	178,271	81,340

7. **DIVIDENDS**

	31.12.20	31.12.19
	£	£
Ordinary A shares of £1 each		
Interim	900,400	780,400

8. **INTANGIBLE FIXED ASSETS**

	Patents and licences
	£
COST	
At 1 January 2020 and 31 December 2020	5,727
AMORTISATION	
At 1 January 2020	3,910
Amortisation for year	288
At 31 December 2020	4,198
NET BOOK VALUE	
At 31 December 2020	1,529
At 31 December 2019	1,817

continued...

9. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2020	**114,894**	**1,311,090**	**492,253**	**1,918,237**
Additions	**-**	**94,335**	**37,541**	**131,876**
At 31 December 2020	**114,894**	**1,405,425**	**529,794**	**2,050,113**
DEPRECIATION				
At 1 January 2020	**62,433**	**854,025**	**420,189**	**1,336,647**
Charge for year	**15,962**	**61,057**	**22,889**	**99,908**
At 31 December 2020	**78,395**	**915,082**	**443,078**	**1,436,555**
NET BOOK VALUE				
At 31 December 2020	**36,499**	**490,343**	**86,716**	**613,558**
At 31 December 2019	52,461	457,065	72,064	581,590

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 January 2020 and 31 December 2020	**104,223**
DEPRECIATION	
At 1 January 2020	**24,309**
Charge for year	**15,671**
At 31 December 2020	**39,980**
NET BOOK VALUE	
At 31 December 2020	**64,243**
At 31 December 2019	79,914

continued...

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020	
and 31 December 2020	**4,814,000**
NET BOOK VALUE	
At 31 December 2020	**4,814,000**
At 31 December 2019	4,814,000

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

Subsidiaries

Alpha-Cure Asia Limited
Registered office: Factory No.2, Qingpu Export Processing Zone, Qingpu, 201707, Shanghai, China
Nature of business: Manufacture and sale of UV and Metal Halide lamps

Class of shares:	% holding
Ordinary	75.00

	31.12.20 £	31.12.19 £
Aggregate capital and reserves	**6,471,649**	6,729,051
(Loss)/profit for the year	**(311,760)**	280,409

Alpha-Cure Asia Limited is a 75% subsidiary of Alpha-Cure Holdings Limited, which is a 100% subsidiary of Alpha-Cure Limited.

Alpha-Cure Deutschland GmbH
Registered office: Von-Siemens-Straße 5,48346 Ostbevern, Deutschland, 48165 Ostbevern, Germany
Nature of business: Sale of UV and Metal Halide lamps

Class of shares:	% holding
Ordinary	100.00

	31.12.20 £	31.12.19 £
Aggregate capital and reserves	**330,855**	294,312
Profit for the year	**19,099**	19,702

continued...

10. FIXED ASSET INVESTMENTS - continued

Alpha-Cure (Jiangsu) Co. LTD
Registered office: 1360 Nanyuan West Road, Qidong Economic Development Zone, Qidong, Jiangsu 226200,China
Nature of business: Manufacture and sale of UV and Metal Halide lamps

Class of shares:	% holding
Ordinary	75.00

	31.12.20	31.12.19
	£	£
Aggregate capital and reserves	**5,630,417**	2,609,775
Profit/(loss) for the year	**784,687**	(306,768)

Alpha-Cure (Jiangsu) Co. LTD is a 100% subsidiary of Alpha-Cure Asia Limited, which is a 75% subsidiary of Alpha-Cure Holdings Limited, which is a 100% subsidiary of Alpha-Cure Limited.

Alpha Cure Australia PTY LTD
Registered office: 27 Ashburton Avenue, West Lakes Shore, SA 5020 Australia
Nature of business: Sale of UV and Metal Halide lamps

Class of shares:	% holding
Ordinary	100.00

	30.6.20	30.6.19
	£	£
Aggregate capital and reserves	**15,693**	19,919
Loss for the year	**(4,520)**	(8,734)

Alpha-Cure Holdings Limited
Registered office: Leonard House Great Central Way, Woodford Halse, Daventry, England, NN11 3PZ
Nature of business: Holding Company

Class of shares:	% holding
Ordinary	100.00

	31.12.20	31.12.19
	£	£
Aggregate capital and reserves	**432,082**	390,885
Profit for the year	**41,197**	520,190

Associated company

Alpha-Cure France Limited
Registered office: ZA Le Messac, 37240 Bossee, France
Nature of business: Sale of UV and Metal Halide lamps

Class of shares:	% holding
Ordinary	49.00

	31.12.20	31.12.19
	£	£
Aggregate capital and reserves	**410,403**	386,870
Profit for the year	**118,468**	120,570

continued...

11. STOCKS

	31.12.20	31.12.19
	£	£
Stocks	**1,312,940**	1,285,678

The Company use the methodology of FIFO to value their stock.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	**1,566,819**	1,423,626
Amounts owed by group undertakings	**756,763**	810,666
Other debtors	**7,952**	5,868
Directors' current accounts	**66,587**	63,828
Tax	**25,389**	24,493
VAT	**24,300**	14,084
Prepayments	**12,761**	905
	2,460,571	2,343,470

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 15)	**-**	194,042
Other loans (see note 15)	**32,783**	28,710
Hire purchase contracts (see note 16)	**34,446**	17,605
Trade creditors	**9,032**	135,980
Amounts owed to group undertakings	**5,737,566**	5,672,660
Tax	**412,685**	365,973
Social security and other taxes	**73,329**	34,520
Other creditors	**6,506**	5,947
Directors' current accounts	**71,583**	41,583
Accrued expenses	**315,952**	190,166
	6,693,882	6,687,186

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

	31.12.20	31.12.19
	£	£
Other loans (see note 15)	**57,217**	83,790
Hire purchase contracts (see note 16)	**24,058**	58,504
	81,275	142,294

continued...

15. LOANS

An analysis of the maturity of loans is given below:

	31.12.20	31.12.19
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	194,042
Other loans	32,783	28,710
	32,783	222,752
Amounts falling due between two and five years:		
Other loans - instalments due		
2 - 5 years	57,217	83,790
	57,217	83,790

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.12.20	31.12.19
	£	£
Net obligations repayable:		
Within one year	34,446	17,605
Between one and five years	24,058	58,504
	58,504	76,109

	Non-cancellable operating leases	
	31.12.20	31.12.19
	£	£
Within one year	80,500	80,500
Between one and five years	322,000	322,000
In more than five years	-	80,500
	402,500	483,000

continued...

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.20	31.12.19
	£	£
Bank overdraft	-	194,042
Other loans	90,000	112,500
Hire purchase contracts	58,504	76,109
	148,504	382,651

National Westminster Bank Plc hold a debenture dated 2 January 2007 including a first fixed charge on book debts and other debts.

All finance lease and hire purchase contracts are secured on assets financed (see note 6).

18. PROVISIONS FOR LIABILITIES

	31.12.20	31.12.19
	£	£
Deferred tax		
Accelerated capital allowances	112,014	103,948

	Deferred tax
	£
Balance at 1 January 2020	103,948
Accelerated capital allowances	8,066
Balance at 31 December 2020	112,014

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.20	31.12.19
			£	£
26	Ordinary A	£1	26	26
78	Ordinary B	£1	78	78
			104	104

continued...

20. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 January 2020	**1,805,027**	**287,991**	**5**	**2,093,023**
Profit for the year	**1,360,164**			**1,360,164**
Dividends	**(900,400)**			**(900,400)**
At 31 December 2020	**2,264,791**	**287,991**	**5**	**2,552,787**

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 December 2020 and 31 December 2019:

	31.12.20 **£**	31.12.19 £
S P Atherstone		
Balance outstanding at start of year	**24,355**	21,107
Amounts advanced	**-**	24,355
Amounts repaid	**-**	(21,107)
Amounts written off	**-**	-
Amounts waived	**-**	-
Balance outstanding at end of year	**24,355**	24,355
S Haines		
Balance outstanding at start of year	**1,175**	82
Amounts advanced	**-**	1,175
Amounts repaid	**-**	(82)
Amounts written off	**-**	-
Amounts waived	**-**	-
Balance outstanding at end of year	**1,175**	1,175
M A Slater		
Balance outstanding at start of year	**38,299**	23,815
Amounts advanced	**2,759**	38,299
Amounts repaid	**-**	(23,815)
Amounts written off	**-**	-
Amounts waived	**-**	-
Balance outstanding at end of year	**41,058**	38,299

Interest rate charged on Directors' Loans is 0%.

continued...

22. RELATED PARTY DISCLOSURES

During the year the company traded with other companies within the group.

Balances outstanding at the year end with group companies are:

Owed to Alpha-Cure Limited:

Alpha-Cure Australia (Subsidiary) - £11,936
Alpha-Cure Deutschland (Subsidiary) - £31,211

Owed by Alpha-Cure Limited:

Alpha-Cure Asia (Subsidiary) - £785,917
Alpha-Cure RBS (Pension Scheme) - £8,050

Loans outstanding at the year end with group companies are:

Owed to Alpha-Cure Limited:

Alpha-Cure Holdings Ltd (Subsidiary) - £331,114

Owed by Alpha-Cure Limited:

Alpha-Cure Group Ltd (Parent Company) - £4,526,000
Alpha-Cure RBS (Pension Scheme) - £90,000

Sales to related parties in the year were:

Alpha-Cure Asia (Subsidiary) - £597,854
Alpha-Cure Australia (Subsidiary) - £55,837
Alpha-Cure Deutschland (Subsidiary) - £255,013

Purchases from related parties in the year were:

Alpha-Cure Asia (Subsidiary) - £2,763,748
Alpha-Cure RBS (Pension Scheme) - £80,500

During the year, a total of key management personnel compensation of £ 239,459 was paid.

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Alpha-Cure Group Limited (a Company registered in England and Wales) by virtue of its majority shareholding.