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· ASSOCIATED BRITISH ENGINEERING PLC ·

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2020

CONTENTS

The Directors' Report on pages 3 to 5 and the Directors' Remuneration Report on pages 52 to 54 have each been drawn up in accordance with the requirements of English law and liability in respect thereof is also governed by English law. In particular, the responsibility of the directors for these reports is owed solely to Associated British Engineering plc.

The directors submit to the members their Report and Accounts for the Group for the period ended 30 September 2020. Pages 1 to 8 and 47 to 55, including the Financial Highlights, Chairmen's Statement, Directors' Report, Strategic Report, Corporate Governance Report, Directors' Remuneration Report and the Directors, Registered Office and Advisers page form part of the Report of the Directors.

ASSOCIATED BRITISH ENGINEERING PLC

FINANCIAL HIGHLIGHTS

	30 Sep 2020 £'000	31 Mar 2019 £'000
REVENUE	**165**	1,134
OPERATING PROFIT/ (LOSS)	**139**	(1,742)
PROFIT/ (LOSS) BEFORE TAXATION	**145**	(1,810)
NET ASSETS/ (LIABILITIES)	**591**	(3,708)
BASIC PROFIT/ (LOSS) PER 2.5p ORDINARY SHARE	**263.0p**	(84.5p)
EQUITY SHAREHOLDERS' FUNDS PER 2.5p ORDINARY SHARE	**£0.29**	(£1.81)

CHAIRMEN'S STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

The shareholders of Associated British Engineering Plc (ABE) will be disappointed that the operations of its main subsidiary British Polar Engines Ltd (BPE) failed to improve since the last annual accounts and up to the beginning of 2020 to a sufficient degree to counter the drag of the historic pension fund liabilities. Following a period of marketing and approval at the shareholder meeting held on 3 August 2020, the Group disposed of its shareholding in BPE together with its loan to that company. Consequently as at 30 September 2020 the Group had one remaining subsidiary, Akoris Trading Limited, and some investments.

The actuarial increases to the liabilities of the pension fund together with judgement of likely future actuarial movements meant that there seemed to be no end in sight to actuarial increases and reducing the deficit. While the disposal of BPE is regrettable it had proved necessary for the future of BPE for it to combine with another business.

You will see from our financial numbers and the balance sheet that in the period our net assets have improved by over £4 million. This is due primarily to the Pension Fund no longer being a liability of the Group as at 30 September 2020. We are unable to comment on the trading of BPE as we have been denied access to the accounts of our former subsidiary. We do not believe that this impacts in any way on our balance sheet position as at 30 September 2020.

It is hoped that the BPE staff and the business at Helen Street will prosper under its new ownership with a more diverse business model and that BPE will contribute profits for its new owners. We take this opportunity to thank all of our former group employees for their support over many years and especially from the start of the Pandemic in early 2020.

The Board has, meanwhile, taken the opportunity to again reduce the cost base of the remaining parts of the Associated British Engineering Plc group. Since the year end the investments have made a useful gain in value and the company has started the process of diversifying the investments. It is expected that these and future capital gains will be tax free due to inherited capital gains tax losses; the Board will take the opportunity to liquidate investments and invest for future growth when suitable opportunities occur.

Your company is now in a position to talk to potential acquisitions without having to consider the impact of the pension fund and related historical deficits. Your Board is now committed to using all its efforts to identifying and acquiring a new business with growth potential and hopefully showing profits for our group and a financial return for our patient shareholders.

Rupert Pearce Gould and Colin Weinberg

Chairmen

Date: 30 March 2021

DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

The directors submit their report and audited accounts for the period ended 30 September 2020.

RESULTS AND DIVIDENDS

The Group's profit after tax and exceptional items amounted to £144,800 (2019: £1,731,000 loss). The directors are unable to recommend a dividend on the ordinary shares for the period (2019: £Nil per ordinary share).

DIRECTORS

The names of the directors who served during the period from 1 April 2019 to 30 September 2020 are:

Mr C Weinberg	Director
Mr R Pearce Gould	Director

Biographical details of the directors are set out on page 55.

With regard to the appointment and replacement of directors, the Company is governed by its Articles of Association, the Corporate Governance Code, the Companies Act 2006 and related legislation.

In accordance with the Articles of Association Mr R Pearce Gould retires by rotation and, being eligible, offers himself for re-election.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The group has, as permitted by s.234 and s.235 of the Companies Act 2006, maintained insurance cover on behalf of the directors and secretary indemnifying them against certain liabilities which may be incurred by them in relation to the company.

SUBSTANTIAL HOLDINGS

As at 18 February 2021 and at 30 September 2020 the Company had been notified of the following substantial interests, in excess of 3%, in the issued ordinary share capital of the Company:

Shareholders	**Notes**
The Bank of New York (Nominees) Limited	The Bank of New York Nominees owns 12.98% of issued ordinary shares, of which Colin Weinberg. owns 3.44% of issued share capital.
Fiske Nominees Limited (FISKPOOL)	FISKPOOL owns 12.87% of issued ordinary shares, of which Stephen Cockburn has a combined beneficial and non beneficial interest in 7.53% of issued share capital.
R A Pearce Gould	Mr Pearce Gould's overall holding is 12.89% of issued ordinary shares, which includes Rulegale below.
Stephen Cockburn	Mr Cockburn's overall beneficial and non beneficial interest is 9.18% of issued ordinary shares, including Fiske Nominees above.
C Weinberg	Mr Weinberg's overall holding is 8.22% of issued ordinary shares, including Bank of New York above.
Lynchwood Nominees Limited (2006420)	Lynchwood owns 6.74% of issued ordinary shares.
Rulegale Nominees Limited (JAMSCLT)	JAMSCLT owns 5.28% of which Mr R A Pearce Gould has all of the issued ordinary shares.

Shareholders	Notes
Hargreaves Lansdown (Nominees) Ltd (VRA)	Hargreaves Lansdown owns 5.27% of issued ordinary shares.
W B Nominees Limited	W B Nominees Limited owns 4.39% of issued ordinary shares.
Barclays Direct Investing Nominees Ltd (Clients)	Barclays Direct owns 3.68% of issued ordinary shares.
Vidacos Nominees Limited (BBUCCC)	BBUCCCC owns 3.40% of which Graeme Marshall owns all of the issued ordinary shares.
Winterflood Securities Limited (WINSCREEP)	Winterflood Securities owns 3.04% of issued share capital.

BENEFICIAL INTERESTS IN SIGNIFICANT CONTRACTS

None of the directors had a material interest in any contract of significance to which the Company or any of its subsidiaries was party during the period.

BENEFICIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

The beneficial interests of the directors, who served during the period, their spouses and dependents in the share capital of the Company according to the register kept by the Company as at 1 April 2019 and 30 September 2020 were as follows:

	Ordinary shares of 2.5p 2020 No.	Ordinary shares of 2.5p 2019 No.
Mr C Weinberg	**168,404**	**167,416**
Mr R Pearce Gould	**264,049**	**264,049**

No share options or derivatives were held by any of the directors at 30 September 2020 or 1 April 2019.

Since 30 September 2020 and up to and including 12 March 2021 there have been no changes in the directors' interests in the share capital of the Company.

FINANCIAL INTERESTS

The Group uses various financial instruments and these include cash, equity investments and various others, such as trade receivables and trade payables which arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

Further details of the policies adopted by the Group in respect of the financial risk management are included within note 19 to the Group financial statements and the Strategic Report.

FINANCIAL INTERESTS - CAPITAL

The structure of the Group's and Company's capital, at nominal value, is as follows:

	No. in issue	Nominal Value £	Total Value £	% of Capital £
Ordinary shares	2,048,990	0.025	51,255	1.9
Deferred shares	1,313,427	1.975	2,594,018	98.1

DISABLED PERSONS

It is the Group's policy to give sympathetic consideration to the recruitment, continuing employment, training, career development and promotion of disabled persons.

EMPLOYEES

The Group recognises the importance of employees to the success of the business and ensures that they are fully informed of events that directly affect them and their working environment.

GLOBAL GHG EMISSIONS DATA FOR THE PERIOD ENDED 30 SEPTEMBER 2020

As reported elsewhere, the directors have no information on BPE or its Global GHG. The Global GHG for the other parts of the Group for the period covered by these accounts was zero.

GOING CONCERN

After making appropriate enquiries, the Directors have a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future.

AUDITOR AND DISCLOSURE OF INFORMATION TO THE AUDITOR

On 12 March 2020, Haysmacintyre LLP resigned as Auditors of the Company.

Bright Grahame Murray were appointed as Auditors to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

So far as the Directors are aware, there is no relevant audit information that has not been brought to the attention of the Company's auditor. Each Director has taken all reasonable steps to make himself aware of any relevant audit information and to establish that such information was provided to the auditor.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to confirm the reappointment of Bright Grahame Murray as auditor of the Company will be proposed at the 2021 AGM. The confirmation has been recommended to the Board by its Audit Committee and Bright Grahame Murray have indicated their willingness to remain in office.

By order of the Board

Colin Weinberg
For and on behalf of the Board of Directors
Date: 30 March 2021

BUSINESS REVIEW

A review of the business and of events during the period is contained in the Chairmen's Statement on page 2 which forms part of the Strategic Report.

BUSINESS MODEL AND STRATEGY

The Associated British Engineering Group has one subsidiary undertaking:

Akoris Trading Limited ("Akoris").

On 4 August 2020, the Group disposed of its investment in British Polar Engines ("BPE"), as outlined in note 10, page 42 of these financial statements.

BPE's business model and strategy:

On 2 July 2019, the Company made an announcement to the Stock Exchange in relation to the proposed future of BPE. It was in advanced discussions prior to the 2019 year-end and, as a consequence of this process, it was decided by the Board of BPE that they should engage FRP Advisory LLP to advise on negotiations with the Trustees of the Pension Fund and the Pensions Regular and consider the future of the operating business of BPE including marketing the company for sale. As shareholders are aware the Company disposed of its interest in BPE on 4 August 2020 immediately following authorisation by shareholders.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS

The Group's main operating business was its subsidiary BPE. The sale of BPE took place on 4 August 2020.The group now operates only one subsidiary.

The Board controls risks by adopting appropriate strategies and maintaining strong systems of internal control.

These strategies however cannot attempt to eliminate all risk, but control the risks that we believe are appropriate to take to maintain the group. Details of the group's risk management processes are given in the Corporate Governance report on page 50.

We have considered below the current risk factors that are considered by the Board to be material. However, in a changing world, new risks may appear or immaterial risks may become more important, and the directors will develop appropriate strategies.

The Board is looking to identify additional business to acquire with either high profitability or with the prospect of significant profitability.

Market conditions
The company has currently no significant trade. There remains a risk regarding the marketability of some of its investments and the ability to liquidate them.

Reputational risk
Over many periods the Group has built up a reputation for integrity and is aware that this can be easily damaged with the consequential cost. To mitigate this risk, policies are in place which, cover standards of behaviour and good governance.

COVID-19 risk
Following the disposal of BPE and the low numbers of employees, COVID-19 does not affect the Group.

Brexit risk
As the service we provide is predominantly delivered to UK-based customers, the impact of Brexit on our business is not as significant as it is to other businesses. As a Board, we will continue to closely monitor developments in the UK Government's Brexit plans and any potential impacts on the company and so like most businesses we are keen to have certainty over how Brexit will be implemented.

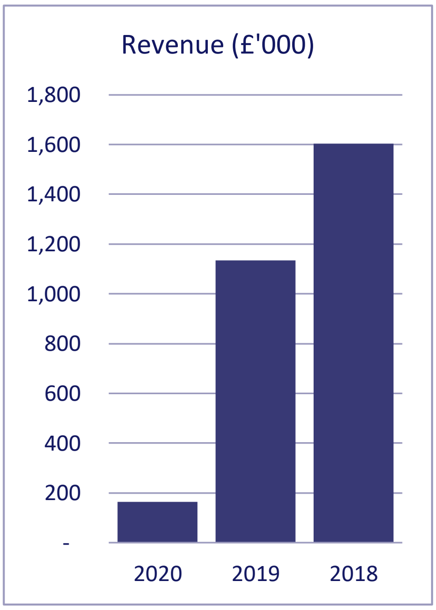
Defined Benefit pension scheme funding
As previously stated, the subsidiary undertaking BPE was sold on 4 August 2020 and as a consequence the Group no longer has an exposure to any defined benefit scheme.

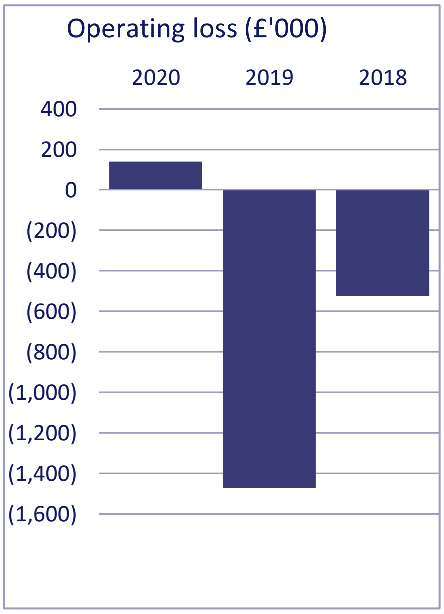
Cyclical nature of the business
The trading outlook for the Group remains unpredictable due to the requirement to identify a trading business in the midst of a Global pandemic

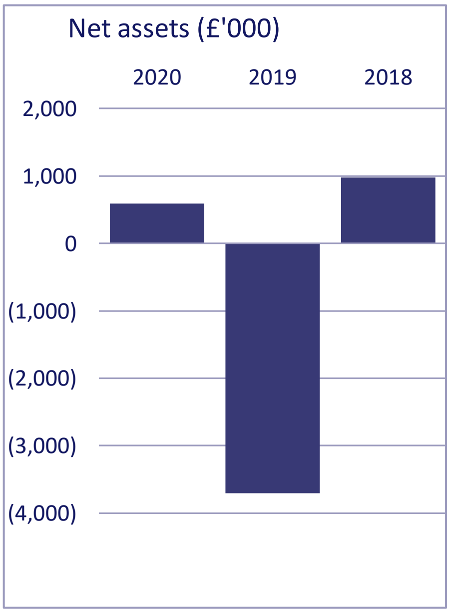
Further consideration of risks and uncertainties in respect of financial instruments that face the Group and Company is contained in note 19 to the Group financial statements.

KEY PERFORMANCE INDICATORS

The Group uses various indicators to monitor its progress. Sales, service and production are continually monitored against set monthly budgets to compare and over the long term improve upon gross profit and operating profit margins. Budgets are set on a monthly and annual basis but the directors have not enhanced the disclosures in this regard as one key transaction stalling could have a significant impact on the feasibility of the budget meaning that such disclosures are not considered useful to users of the accounts.







There is nothing to report on environmental, employee, social and community matters or essential contractual or other arrangements

Our employees

Whilst the Group does not have a specific human rights policy, it has a strong commitment to upholding the principles of human rights across our business.

CORPORATE GOVERNANCE

Details of corporate governance, which is part of this report for the period to 30 September 2020, are disclosed in the corporate governance report on page 47.

CORPORATE SOCIAL RESPONSIBILITY

The Group is committed to the protection of the environment and the development of processes which ensure that any adverse impact on the environment arising from its trading activities is minimised by encouraging reduction in waste, awareness of recycling, and encouraging employees to pay regard to environmental issues.

Employees

The Group's ability to achieve its commercial objectives and to service the needs of society and its customers in a profitable and competitive manner depends on the contribution of its employees. Employees are encouraged to develop their contribution to the business wherever they happen to work. The Group regularly keeps employees up to date with financial and other information.

The Group currently employs three people, made up of two male part time executives and one male part time administrator.

	Total no. of officers/employees	Number of males %	Number of females %
Senior Management	2	100	0
Whole Workforce	1	100	0

By order of the Board

Colin Weinberg
For and on behalf of the Board of Directors

Date: 30 March 2021

Disclaimer of opinion

We were engaged to audit the financial statements of Associated British Engineering PLC (the "parent company") and its subsidiary companies (the "Group") for the period ended 30 September 2020 which comprise of the consolidated income statement, the consolidated statement of comprehensive income, the Group statement of financial position, the Group statement of cash flows, the Group statement of changes in equity, the Company balance sheet, the Company statement of changes in equity, the Company statement of cash flows and the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as applied in accordance with the provisions of the Companies Act 2006.

We do not express an opinion on the accompanying financial statements of the group. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 4 August 2020 the company disposed of its investment in British Polar Engines Limited which was the main trading subsidiary of Associated British Engineering PLC. We have been unable to obtain from the management of British Polar Engines Limited details of the profit and loss account during the period 1 April 2019 until the date of disposal in August 2020. We are therefore unable to confirm or verify by alternative means the amounts included in the consolidated statement of comprehensive income. As a result of this matter we have been unable to determine whether any adjustments might have been found necessary to the elements included in the consolidated statement of comprehensive income or consolidated statement of cash flows. This has not impacted our work on the consolidated statement of financial position as at the 30 September 2020 and the remainder of the group, as the assets and liabilities of the disposed subsidiary are not included at the balance sheet date. The parent company statement of financial position is also unaffected as the investment has been disposed.

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group includes the listed parent Company (Associated British Engineering PLC) and the main trading entity (British Polar Engines Limited). The Group's accounting process is structured around finance teams based in Cambridge and Glasgow, maintaining their own accounting records and controls.

The main focus of our audit has been the parent company as explained above the main trading subsidiary, British Polar Engines Limited, was disposed of during the period.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. For the purposes of determining whether the financial statements are free from material misstatement we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced.

We determined materiality for the Group to be £15,000, which is 2.64% of gross assets. Gross assets is used as the benchmark for materiality as it is considered the critical performance measure of the Group. We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 83.33% of financial statement materiality for the audit of the group financial statements.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £750 as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Other information

The other information comprises the information included in the annual report as set out on pages 1 to 54 other than the financial statements and our auditor's report thereon. The Directors' are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report on that fact. We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- Fair, balanced and understandable set out on page 50 - the statement given by the Directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or

- Audit Committee reporting set out on pages 48 and 49 - the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or

- Directors' statement of compliance with the UK Corporate Governance Code set out on page 47 - the parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Opinion on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the 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 those reports have been prepared in accordance with applicable legal requirements;

- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and

- information about the company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, 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 performed subject to the pervasive limitation described above, we have not identified material misstatements in;

- the strategic report or the directors' report; or

- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

Arising from the limitation of our work referred to above:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

- We were unable to determine whether adequate accounting records have been kept.

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:

- returns adequate for our audit have not been received from branches not visited by us; or

- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- a corporate governance statement has not been prepared by the parent company.

Corporate governance statement The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 50 and 51;

- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why the period is appropriate set out on pages 50 and 51.

- Directors' statement on fair, balanced and understandable set out on page 50;
- Board's confirmation that it has carried out a robust assessment of the e-merging and principal risks set out on page 50;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 50; and;
- The section describing the work of the audit committee set out on page 48.

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 Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using 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 to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are the Companies Act 2006, the Listing Rules and the UK Corporate Governance Code.
- We understood how the Group is complying with those frameworks through discussions with the Audit Committee and management in combination with a review of the Group's documented policies and procedures.
- We assessed the susceptibility of the Group's financial statements to material misstatement including how fraud might occur by considering the key risks impacting the financial statements. Given the activities of the Group, we consider management override as being most likely to occur in the recognition of revenue.
- We have reviewed that the Group's control environment is adequate for the size and operating model of such a listed Company.

Other matters we are required to address

Following recommendations of the audit committee, we were appointed by the audit committee to audit the financial statements for the period ending 30 September 2020 and subsequent financial periods. The period of total uninterrupted engagement is 1 year which covers the period ending 30 September 2020.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Eade
Senior Statutory Auditor
For and on behalf of Bright Grahame Murray
Emperor's Gate
114a Cromwell Road
Kensington
London
SW7 4AG

Date: 30 March 2021

BASIS OF PREPARATION

The Company is a public limited company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the final page of this annual report.

The financial statements have been prepared on the going concern basis. In the prior period, the financial statements were prepared on the break-up basis.

These Group consolidated accounts and the company accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations endorsed by the European Union (EU) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Company's ordinary shares are listed on the London Stock Exchange (LSE) under the ticker (ASBE) albeit that at the date of preparation share trading was suspended. These financial statements are presented in pound sterling because that is the currency of the primary economic environment in which the Group operates and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The Company's accounting reference date is 30 September. These financial statements are for the period 1 April 2019 to 30 September 2020 (18 months). The comparative figures are for the period 1 April 2018 to 31 March 2019.

NEWLY ISSUED ACCOUNTING STANDARDS

The following standards and amendments to existing standards became effective from 1 January 2020 and are applicable for the current reporting period:

- Amendments to IFRS 3, Business Combinations. The amendment clarifies the definition of a business by providing a new framework for determining whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses.

- Amendments to IAS 1, Presentation of Financial Statements, and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The amendments clarify the definition of 'materiality' and how it should be applied. The amendments also improve the explanations of the definition and ensure consistency across all IFRS standards.

- Amendments to IFRS 9, Financial Instruments, IAS 39, Financial Instruments: Recognition and Measurement, and IFRS 7, Financial Instruments: Disclosures. The amendments provide relief from specific hedge accounting requirements to address the potential uncertainty caused by the IBOR reform.

The adoption of the above new and revised standards had no impact on the financial statements of the Group for the period ended 30 September 2020.

The following amendments to existing standards have been issued, but will become effective for annual periods beginning on or after 1 January 2021.

- Amendments to IAS 1, Presentation of Financial Statements. The amendments clarify the basis used for the classification of current and non-current liabilities.

- Amendments to IAS 8, Accounting policies, Changes in Accounting Estimates and Errors. The amendments introduce the definition of an accounting estimate and include other amendments to IAS 8 to distinguish changes in accounting estimates from changes in accounting policies.

- Amendments to IAS 37, Provisions, Contingent Liabilities and Contingent Assets. The amendments clarify the costs that should be included when assessing whether a contract is onerous.

GOING CONCERN

The Company has sufficient financial resources. As a consequence, the Directors believe the Company is well placed to manage its business risks successfully, including the impact of Covid-19 and Brexit. The Directors regularly review the forecasts.

In accordance with their responsibilities, the Directors of the Company have considered the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. The Directors have prepared trading and cash flow forecasts for the Company, which take into account the future performance of the Company and consider the impact of the Covid-19 pandemic. The forecasts, including allowance for reasonable possible changes in trading performance indicate that the Company should be able to operate for at least 12 months from the approval of these financial statements. The Strategic Report and Directors Report includes further disclosure on the Covid-19 impact.

The forecasts for the 12 months from approval of these financial statements have been considered. As a result of the above assessment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a minimum period of 12 months from the date of signing these financial statements. Thus, they are adopting the going concern basis in preparing the annual financial statements.

BASIS OF CONSOLIDATION

The consolidated accounts include the Company and its subsidiary undertaking (from the date of acquisition or to the date of disposal where applicable). Intra group sales and profits are eliminated on consolidation. The accounts of the subsidiary undertaking are made up to 30 September 2020.

A subsidiary is an entity controlled, either directly or indirectly, by the Company, where control is the power to govern the financial and operating policies of the entity so as to obtain benefit from its activities. The acquisition method of accounting is used to account for acquisition of subsidiaries by the Group. The cost on an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Acquisition costs are expensed in the consolidated income statement for the period in which they are incurred.

The consolidated financial statements consist of the results of the following entities:

Entity	Summary Description
Associated British Engineering Plc (ABE)	Holding Company
Akoris Trading Ltd (AT)	Trading Company
British Polar Engines Ltd (BPE)	Trading Company. Disposal in the year. Please refer to note 10 on page 42.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration receivable by the Group for goods supplied and services provided, excluding value added tax and trade discounts. Revenue from the sale of spare parts is recognised when the goods are dispatched or, if under a bill and hold arrangement, when they are available for despatch to a specific customer. Revenue from the sale of engines is recognised in accordance with the performance of contractual terms and specifically when the engines have been satisfactorily tested in accordance with contractual terms. Revenue from servicing and repair work is recognised when the work is completed.

ACCOUNTING ESTIMATES AND JUDGEMENTS

Management are required, in accordance with IFRS, to exercise judgement and to make estimates and assumptions regarding the application of accounting policies and the resulting effect on reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on historical experience and a review of current conditions prevailing at the time but actual results may differ from these estimates. Any such revision is recognised in the financial statements in the period in which the change in circumstance is detected.

ACCOUNTING JUDGEMENTS

The key areas where management have exercised judgement in the period, and the thought processes undertaken, are as follows:

DEFERRED TAX

Judgement is applied by management in determining the extent to which the recovery of carried forward tax losses is probable for the purpose of meeting the criteria for recognition as deferred tax assets. Note 20 sets out information on carried forward tax losses for which a deferred tax asset has not been recognised.

Accounting estimates

The key accounting estimates having an impact on carrying amounts of assets and liabilities in the reporting period are as follows:

INVENTORIES

Inventories are stated at the lower of cost (including an appropriate proportion of attributable supplier rebates and discounts) and net realisable values.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Provision is made for obsolete or slow-moving inventories where appropriate.

INVENTORIES AND IMPAIRMENT OF INVENTORIES

Inventories of raw materials, work in progress and finished goods are valued at the lower of cost and net realisable value. Work in progress and finished goods include an appropriate allocation of overheads.

Cost is on a first in, first out basis. Net realisable value is the estimated selling price in the normal course of business, less estimated costs of completion and provision is made for obsolete, slow moving and defective inventories.

PROVISION FOR DOUBTFUL DEBTS

At the balance sheet date, each subsidiary evaluates the recoverability of trade receivables and records provisions for doubtful or disputed debts based on experience including comparisons of the relative age of accounts and consideration of the history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively. As at 30 September 2020 the Group has provided £Nil (2019: £834,000) against its trade receivables.

LEASED ASSETS

Leases of property and plant and equipment, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Assets held under finance leases are capitalised at lease inception at the lower of the asset's fair value and the present value of the minimum lease payments. Obligations related to finance leases, net of finance charges in respect of future periods, are included as appropriate within borrowings. The interest element of the finance cost is charged to the income statement over the life of the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment is depreciated on the same basis as owned plant and equipment or over the life of the lease, if shorter.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease rentals (net of any related lease incentives) are charged against profit on a straight line basis over the period of the lease.

FOREIGN CURRENCIES

The functional and presentational currency of the parent company and its subsidiaries is UK Pound Sterling, rounded to the nearest thousand. Transactions in currencies other than the functional currency are translated at the rate ruling at the date of the transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Any gains or losses arising from the transactions are taken to the income statement.

PROPERTY, PLANT AND EQUIPMENT

Plant and equipment are stated at cost less depreciation and any impairment in value. Depreciation is calculated to write down the cost of all plant and equipment less its residual value by annual instalments over their expected useful lives on the following bases:

Plant and machinery	7½- 33⅓ per cent straight line

These useful lives and residual values are reviewed in each financial period.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or where shorter, over the term of the relevant lease. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as income.

The carrying values of plant and machinery are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amounts.

TAXATION

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

Current tax payable is based on the taxable profit or loss for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with a maturity of three months or less which are subject to an insignificant risk of changes in value.

FINANCIAL ASSETS

Financial assets are recognised initially at fair value, normally being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification. The group derecognises financial assets when the contractual rights to the cash flows expire or the financial asset is transferred to a third party. This includes the de-recognition of receivables for which discounting arrangements are entered into.

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability. Where none of the contractual terms of share capital meet the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Further analysis of the Group's financial instruments, and the relevant exposure to risks and uncertainties, is stated in note 19 and the various classifications of financial assets and liabilities are identified and explained.

Trade and other receivables

At the balance sheet date, the Company and its subsidiary evaluate the recoverability of trade receivables and record provisions for doubtful or disputed debts based on experience including comparisons of the relative age of accounts and consideration of history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term highly liquid investments that have maturities of three months or less from inception, are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other payables

Trade and other payables are originally recognised at fair value, net of transaction costs. Subsequent measurement is at amortised cost using the effective interest rate method.

Investments in securities

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, with all transaction costs being written off to the income statement as incurred.

Investments are classified as available for sale and are measured at subsequent reporting dates at fair value. Gains and losses arising from changes in fair value of available for sale financial assets are included in other comprehensive income for the period. When the asset is disposed of or deemed to be impaired, the cumulative gain or loss is reclassified from equity reserve to income statement.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

At each balance sheet date the Group reviews the carrying amounts of its property, plant and equipment 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 the asset does not generate cash flows that are independent from other assets, the Group 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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior periods.

SEGMENTAL REPORTING

The standard requires financial information to be disclosed in the financial statements in the same format in which it is disclosed to the chief operating decision-maker. The chief decision-maker has been identified as the Board, at which level strategic decisions are made.

EQUITY AND RESERVES

Share capital represents the nominal value of shares that have been issued except for the preference shares classified as debt. Deferred shares represent shares arising from the sub-division of ordinary shares of £2.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Retained earnings include all current and prior period retained profits and losses. Available for sale reserve includes all gains and losses relating to Available for Sale financial assets. Other reserves relate to movements not classified in any of the reserves detailed above. Revaluation reserve includes all gains and losses relating to Property, Plant and Equipment. All transactions with owners of the parent are recorded separately within equity.

ASSOCIATED BRITISH ENGINEERING PLC

CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	Note	30 Sep 2020 £'000	31 Mar 2019 £'000
REVENUE	1	**165**	1,134
Operating costs	2	**(26)**	(2,552)
Exceptional items	3	**-**	(324)
OPERATING PROFIT/(LOSS)	4	**139**	(1,742)
Finance expense	7	**-**	(68)
Finance income	7	**1**	-
Other income		**5**	-
PROFIT/(LOSS) BEFORE TAXATION		**145**	(1,810)
Taxation	8	**-**	79
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUOUS OPERATIONS		**145**	(1,731)
PROFIT ON DISPOSAL OF DISCONTINUED OPERATIONS (PAGE 42)	10	**5,239**	-
TOTAL PROFIT/(LOSS) FOR THE PERIOD		**5,384**	(1,731)
PROFIT/(LOSS) PER SHARE ON PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
BASIC AND DILUTED PROFIT FROM DISCONTINUED OPERATIONS		**256.0p**	-
BASIC AND DILUTED PROFIT/(LOSS)	9	**263.0p**	(84.5p)
Profit/(Loss) for the period attributable to:			
Owners of the Company		**5,384**	(1,731)
Non-controlling interests		**-**	-
		5,384	(1,731)

The accounting policies on pages 14 to 19 and the notes on pages 25 to 36 form part of these accounts.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	Note	30 Sep 2020 £'000	31 Mar 2019 £'000
Profit/(Loss) for the period		**5,384**	(1,731)
Other comprehensive income/(loss)			
Re-measurement of the net defined benefit liability (*)	**17**	**-**	(3,471)
Gain/ (Loss) on available for sale financial asset (**)		**327**	568
(Deficit)/surplus on revaluation of property		**-**	(50)
Other comprehensive profit/(loss) for the period		**327**	(2,953)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**5,711**	(4,684)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		**5,711**	(4,684)
Non-controlling interests		**-**	-
		5,711	(4,684)

(*) = Items which will not subsequently be reclassified to the Income Statement.
(**) = Items which may subsequently be reclassified to the Income Statement.

The accounting policies on pages 14 to 19 and the notes on pages 25 to 36 form part of these accounts.

GROUP STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £'000	2019 £'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	-	-
Available for sale financial assets	14	413	21
		413	21
Current assets			
Property, plant and equipment	10	-	534
Available for sale financial assets	14	-	714
Inventories	12	-	165
Trade and other receivables	13	24	125
Cash and cash equivalents		186	389
		210	1,927
Total assets		623	1,948
EQUITY AND LIABILITIES			
Called up share capital	15	51	51
Deferred shares	15	2,594	2,594
Share premium account		5,370	5,370
Other reserves		11	11
Available for Sale reserve		270	805
Revaluation reserve		-	550
Retained earnings		(7,705)	(13,089)
Equity attributable to the Parent Company's Equity shareholders		591	(3,708)
Total equity		591	(3,708)
LIABILITIES			
Non-current liabilities			
Retirement benefit obligations	17	-	-
Obligation under finance leases	18	-	-
		-	-
Current liabilities			
Trade and other payables	18	32	664
Obligations under finance leases	18	-	10
Retirement benefit obligations	17	-	4,982
		32	5,656
Total liabilities		32	5,656
Total equity and liabilities		623	1,948

The financial statements were approved and authorised for issue by the Board of Directors on 30 March 2021 and were signed below on its behalf by:

C Weinberg
Director

The accounting policies on pages 14 to 19 and the notes on pages 25 to 36 form part of these accounts.

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	Share capital £'000	Share premium £'000	Deferred shares £'000	Other reserve £'000	Available for Sale reserve £'000	Revaluation reserve £'000	Retained earnings £'000	Attributable to owners of the parent £'000	Total £'000
Balance at 1 April 2018	51	5,370	2,594	11	(64)	600	(7,586)	976	976
Loss for the period	-	-	-	-	-	-	(1,731)	(1,731)	(1,731)
Other comprehensive income									
Actuarial loss in defined benefit plan (*)	-	-	-	-	-	-	(3,471)	(3,471)	(3,471)
Unrealised loss on Available for Sale financial assets (**)	-	-	-	-	568	-	-	568	568
Realised gain on Available for Sale Financial assets	-	-	-	-	301	-	(301)	-	-
Revaluation									
Surplus on revaluation of freehold property	-	-	-	-	-	(50)	-	(50)	(50)
Total comprehensive income for the period	-	-	-	-	869	-	(5,503)	(4,684)	(4,684)
Balance at 1 April 2019	51	5,370	2,594	11	805	550	(13,089)	(3,708)	(3,708)
Profit for the period	-	-	-	-	-	-	145	145	145
Other comprehensive income									
Actuarial loss in defined benefit plan (*)	-	-	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	(862)	(550)	5,239	3,827	3,827
Unrealised gain on Available for Sale financial assets (**)	-	-	-	-	327	-	-	327	327
Realised gain on Available for Sale Financial assets	-	-	-	-	-	-	-	-	-
Revaluation									
Surplus on revaluation of freehold property	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-
Balance at 30 September 2020	**51**	**5,370**	**2,594**	**11**	**270**	**-**	**(7,705)**	**591**	**591**

(*) = Items which will not be subsequently be reclassified to the Income Statement.
(**) = Items which may subsequently be reclassified to the Income Statement.

The accounting policies on pages 14 to 19 and the notes on pages 25 to 36 form part of these accounts.

ASSOCIATED BRITISH ENGINEERING PLC

GROUP CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Cash used in operations	**91**	(80)
Interest received	**-**	-
Interest paid	**-**	(68)
Taxation	**-**	-
Net cash used in operating activities	**91**	(148)
Cash flows from investing activities		
Proceeds from sale of equipment	**-**	24
Purchase of equipment	**-**	(16)
Movements in investments	**(65)**	-
Sale proceeds from trading investments	**-**	210
Sale proceeds from subsidiary disposal/loan assignment	**100**	-
Net cash increase from investing activities	**35**	218
Cash flows from financing activities		
Repayment of finance leases	**-**	(25)
Net cash used in financing activities	**-**	(25)
Net increase in cash and cash equivalents	**126**	45
Cash decrease on disposal of subsidiary	**(329)**	-
Cash and cash equivalents at beginning of period	**389**	344
Cash and cash equivalents at end of period	**186**	389

CASH FLOW FROM OPERATING ACTIVITIES

	2020 £'000	2019 £'000
Profit/(loss) from continuous operations	**145**	(1,810)
Adjustments for:		
Depreciation	**-**	91
Finance expense	**-**	68
Foreign exchange difference	**-**	(11)
Pension scheme interest expense	**-**	38
Cash paid in excess of current service cost	**-**	(204)
Profit on disposal of equipment	**-**	(6)
Impairment of assets	**-**	156
Profit on disposal of AFS investments	**-**	(108)
Changes in working capital:		
Decrease/(increase) in inventories	**-**	872
(Increase)/decrease in trade and other receivables	**(20)**	393
(Decrease)/increase in payables	**(34)**	33
	91	(80)
Cash used in operations	**91**	(80)

The accounting policies on pages 14 to 19 and the notes on pages 25 to 36 form part of these accounts.

1. SEGMENTAL REPORTING

The following table shows an analysis of the Group's external sales by geographical market:

	30 Sep 2020 £'000	31 Mar 2019 £'000
United Kingdom	**165**	627
Europe	**-**	240
Far East and Australasia	**-**	87
Africa	**-**	81
North and South America	**-**	87
Middle East	**-**	12
	165	1,134

The following table shows an analysis of the Group's external sales from operations:

	30 Sep 2020 £'000	31 Mar 2019 £'000
Revenue from the sale of goods (Diesel and engineering related services)	**-**	773
Revenue from the rendering of services	**165**	361
	165	1,134

In the periods ended 30 September 2020 and 31 March 2019, save for dollar bank accounts and overseas debtors, all of the assets held by the Group were located in the United Kingdom and all capital expenditure was incurred within the United Kingdom.

Operating segments
The following segment information has been prepared in accordance with IFRS 8, "Operating Segments", which defines requirements for the disclosure of financial information of an entity's operating segments.

The Board consider the Group on an individual company basis. Reports by individual companies are used by the chief decision-maker in the Group. Significant operating segments are Associated British Engineering Plc and Akoris Trading Limited. As outlined in note 10 on page 42, British Polar Engines Limited, a former subsidiary undertaking, was disposed of during the period.

The Group's operations are located in the United Kingdom. Any transactions between business units are on normal commercial terms and conditions.

Akoris Trading Limited is a commodity and natural resource trading, finance and investment company.

Associated British Engineering Plc is the Group's holding company.

1. SEGMENTAL REPORTING (continued)

Period to 30 September 2020	**Associated British Engineering Plc £'000**	**British Polar Engines Limited £'000**	**Akoris Trading Limited £'000**	**Consolidated £'000**
External sales	**165**	**Unavailable**	**-**	**165**
Segment result (PBIT)	**146**	**Unavailable**	**(1)**	**145**
Net finance expenses				**-**
Taxation				**-**
Profit after tax				**145**
Other information				
Capital additions	**-**	**Unavailable**	**-**	**-**
Balance sheet				
Segment assets	**591**	**Unavailable**	**32**	**623**

Period to 31 March 2019	**Associated British Engineering Plc £'000**	**British Polar Engines Limited £'000**	**Akoris Trading Limited £'000**	**Consolidated £'000**
External sales	-	1,134	-	1,134
Segment result (LBIT)/ PBIT	(49)	(1,687)	(6)	(1,742)
Net finance expenses				(68)
Taxation				79
Loss after tax				(1,731)
Other information				
Capital additions	-	16	-	16
Balance sheet				
Segment assets	86	1,843	19	1,948

Included in the total Group revenue was £Nil (2019: £253,000) of sales which arose from one customer who contributed to 10% or more of the total Group revenue for the period ended 30 September 2020 (2019: two customers). The geographical market from which the revenue from the customers originate is principally the United Kingdom.

All of the revenue recognised by the Group during the year arose from contracts from customers as defined in IFRS 15.

2. OPERATING COSTS

	30 Sep 2020 £'000	31 Mar 2019 £'000
Raw materials used	**-**	1,175
Staff costs (note 5)	**65**	616
Depreciation of property plant and equipment	**-**	91
Other expenses	**(39)**	670
	26	2,552

3. EXCEPTIONAL ITEM

	30 Sep 2020 £'000	31 Mar 2019 £'000
Exceptional item	**-**	(324)

Following the directors' decision to prepare previous year's financial statements on a basis other than going concern, impairments arose to bring certain assets to their recoverable amounts and were shown as an exceptional item above. The items which relate to the impairment are tangible fixed assets (£156,000) and trade receivables (£167,944).

4. OPERATING PROFIT/(LOSS)

	30 Sep 2020 £'000	31 Mar 2019 £'000
Operating profit/(loss) is stated after charging/(crediting)		
Depreciation on owned assets	**-**	59
Depreciation on assets held under finance leases	**-**	32
Fees payable to the Company's auditor for the audit of the Company's annual accounts:		
PLC audit costs	**9**	24
The audit of the Company's subsidiaries pursuant to legislation	**1**	22
Operating lease rental on plant and machinery	**-**	25
Profit on disposal of property, plant & equipment	**-**	(6)

5. STAFF COSTS AND EMPLOYEES

	30 Sep 2020 £'000	31 Mar 2019 £'000
Wages and salaries	**62**	332
Social security costs	**3**	34
Other pension costs	-	250
	65	616

The average monthly number of persons employed by the Group during the period was:

	30 Sep 2020 Number	31 Mar 2019 Number
By activity		
Production	**-**	5
Administration	**3**	11
	3	16

6. DIRECTORS' REMUNERATION

Directors received emoluments of £78,336 (2019: £57,000). Further details can be found on page 53.

KEY MANAGEMENT COMPENSATION

	30 Sep 2020 £'000	31 Mar 2019 £'000
Remuneration of Group directors	**42**	30

The Group made no pension contributions in respect of Group directors during the period ended 30 September 2020 or 31 March 2019.

7. NET FINANCE EXPENSE

	30 Sep 2020 £'000	31 Mar 2019 £'000
Interest on obligations under finance leases	-	30
Interest expenses for borrowings at amortised cost	-	30
Net interest cost on defined benefit pension scheme	-	38
	-	68
Interest receivable on cash and cash equivalents	(1)	-
	(1)	68

8. TAXATION

	30 Sep 2020 £'000	31 Mar 2019 £'000
The tax charge is set out below:		
Current tax:		
United Kingdom corporation tax at 19% (2018: 19%)	-	-
Research & Development tax credit	-	79
In respect of current period	-	-
Total current tax and tax on profit on ordinary activities	-	79

The tax assessed for the period is different from the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained as follows:

	30 Sep 2020 £'000	31 Mar 2019 £'000
Profit/(loss) on ordinary activities before tax	145	(1,810)
Profit/(loss) on ordinary activities multiplied by standard rate of Corporation tax in the UK of 19**%** (2019: 19%)	28	(344)
Effects of:		
Fixed asset differences		
Expenses not deductible for tax purposes	-	(1)
Amounts (charged)/credited directly to equity or otherwise transferred	-	11
Income not taxable	-	-
Depreciation for the period in excess of capital allowances	-	-
Adjustment to recognised deferred tax	-	22
Other tax adjustments	-	-
Surrender of group relief	-	14
Losses carried forward	-	298
Utilisation of tax losses	(28)	-
Research & Development credit	-	79
Taxation credit in the consolidated income statement	-	79

The Group has trading losses of approximately £1.4million (2019: £4.5 million) and capital losses of £8.3 million (2019: £8.5 million). These are available to set against future taxable profits, taxation liabilities and capital gains respectively. The trading losses are available to be used against future profits arising from the same trade within the Group. These amounts are subject to agreement with Her Majesty's Revenue and Customs. Deferred tax assets have not been recognised in the Group accounts. As the timing and extent of taxable profits are uncertain, a deferred tax asset of £265k (2019: £765k) arising on the trading losses has not been recognised in the financial statements.

9. PROFIT/(LOSS) PER SHARE

The calculation of loss per ordinary share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

	2020			2019		
	Profit £'000	**Weighted Average number of shares**	**Per shares amount pence**	Loss £'000	Weighted Average number of shares	Per shares amount pence
Basic and diluted profit/(loss) per share	**5,384**	**2,048,990**	**263.0p**	(1,731)	2,048,990	(84.5p)

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings £'000	**Plant and machinery £'000**	**Total £'000**
COST			
At 1 April 2018	689	1,448	2,137
Additions	-	16	16
Disposals	-	(24)	(24)
	-	-	(50)
At 31 March 2019	689	1,440	2,129
At 1 April 2020	689	1,440	2,079
Additions	-	-	-
Disposal of subsidiary	689	1,438	2,077
At 30 SEPTEMBER 2020	**-**	**2**	**2**
ACCUMULATED DEPRECIATION			
At 1 April 2018	110	1,193	1,303
Charge for period	34	57	91
Eliminated on disposals	-	(7)	(7)
Impairment	50	158	208
At 31 March 2019	194	1,401	1,595
At 1 April 2020	194	1,401	1,595
Charge for period	34	50	84
Eliminated on disposal of subsidiary	(228)	(1,449)	(1,677)
At 30 SEPTEMBER 2020	**-**	**2**	**2**
CARRYING AMOUNTS			
At 30 SEPTEMBER 2020	**-**	**-**	**-**
At 31 March 2019	495	39	534
At 31 March 2018	579	255	834

At 30 September 2020 assets held under finance leases included in plant and machinery had a carrying value of £Nil (2019: £9,188).

11. CAPITAL COMMITMENTS

At 30 September 2020 the Group had capital commitments of £Nil (2019: £Nil).

12. INVENTORIES

	2020 £'000	2019 £'000
Raw materials	**-**	23
Work in progress	**-**	9
Finished goods	**-**	133
	-	165

13. TRADE AND OTHER RECEIVABLES

	2020 £'000	2019 £'000
Trade receivables	**-**	922
Allowance for doubtful debts	**-**	(834)
	-	88
Other receivables	**21**	-
Prepayments and accrued income	**3**	37
	24	125

Trade receivables disclosed above are classified as loans and receivables and are measured at amortised cost.

The average credit period offered on sales of goods varies from 30 days to 90 days. The Group, in the prior period, recognised an allowance for doubtful debts based on estimated irrecoverable amounts determined by the history and by reference to the counterparty and an analysis of the counterparty's current financial position. No such allowance was deemed necessary as at 30 September 2020.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due and impaired at the year-end. The Group has recognised an allowance for doubtful debts against these items.

Ageing of trade receivables

	2020 £'000	2019 £'000
0 – 30 days	**-**	79
31 – 60 days	**-**	18
61 – 90 days	**-**	15
91 – 120 days	**-**	810
Provision against past due and impaired amounts	**-**	(834)
	-	88

13. TRADE AND OTHER RECEIVABLES (Continued)

Movement in the allowance for doubtful debts:

	2020 £'000	2019 £'000
Balance at the beginning of the period	**834**	609
Increase in provision	**-**	225
Disposal of subsidiary	**834**	-
Balance at the end of the period	**-**	834

In determining the recoverability of a trade receivable the Group considers, inter alia, any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

In the prior year, the Group had exposure to two large debtor balances at the period end which accounted for 31% of the balance due between 61 -120 days. There were no such large debtors as at 30 September 2020. Management considers that all the above financial assets that are not provided for, impaired or past due, are of good credit quality.

14. AVAILABLE FOR SALE INVESTMENTS

	2020 £'000	2019 £'000
Listed Securities (quoted and unquoted)	**413**	735

	£'000
Opening balance	735
Intragroup transfer	65
Revaluations	327
Disposal of subsidiary	(714)
Closing balance	**413**

Gains or losses on available for sale investments are presented within other comprehensive income.

IFRS 13 requires that the fair value reflects "exit price" and is valued in line with the relevant "unit of account" and the fair value of the equity investments held is calculated by reference to the quoted market price at the period end.

Available for sale investments are valued based on active markets' prices. In the prior year, the fair value of financial instruments were held at a discount to the quoted market price (recoverable amount), following the decision by the directors to prepare the financial statements on a basis other than going concern. As at 30 September 2020, the investments are reported under Level 1 in the fair value hierarchy.

As described in the prior year financial statements the Group held an investment in SalvaRx Group plc. During the year that entity disposed of its interest in its subsidiary, SalvaRx Limited to Portage Biotech Inc. Subsequently as part of a demerger, SalvaRx Group plc transferred 12,600,000 shares in Portage Biotech Inc, to the Group. Following the sale of BPE 40% of those shares and the shares in SalvaRx Group plc were transferred to the Company. Colin Weinberg, a shareholder, resigned as a director of SalvaRx Group plc on 8 January 2019.

15. CALLED UP SHARE CAPITAL

	2020	2019
	£'000	£'000
Nominal value:		
Allotted and fully paid:		
2,048,990 ordinary shares of £0.025 each	**51**	51
1,313,427 deferred shares of £1.975 each	**2,594**	2,594
	2,645	2,645
Carrying value:		
Equity shares:		
2,048,990 ordinary shares of £0.025 each	**51**	51

The structure of the Group and Company's capital is as follows:

	Ordinary Shares No.	**Ordinary Shares £'000**	**Deferred Shares No.**	**Deferred Shares £'000**	**Share Premium £'000**
Balance at 30 September 2020 (£0.025/£1.9752 shares)	**2,048,990**	**51**	**1,313,427**	**2,594**	**5,370**

Further to the Extraordinary General Meeting held on 1 September 1999 the ordinary shares have 200 votes per share.

The deferred shares do not have voting rights and do not carry any entitlement to attend general meetings of the Company; they are not admitted to any Stock Exchange and carry a right to participate in any return of capital once an amount of £100 has been paid in respect of each new ordinary share.

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of called up share capital, deferred shares, share premium account, other reserves and retained earnings. The Group is not subject to any externally imposed capital requirements.

16. NON-CONTROLLING INTERESTS

At the period-end, the Group held 99.7% of Akoris Trading Limited's Ordinary Share capital.

17. RETIREMENT BENEFIT SCHEMES

The Group has, as a result of the disposal of British Polar Engines Ltd, no retirement defined benefit scheme.

18. PAYABLES

	2020 £'000	2019 £'000
Current		
Obligations under finance leases	-	10
Trade payables	2	163
Other taxation and social security	-	8
Other payables	21	43
Accruals	9	440
	32	664

	2020	2019
The net finance lease obligations are due:		
In one period or less	-	10
Between two and three periods	-	-
	-	10

All current payables are expected to mature within a period of 6 months.

19. FINANCIAL INSTRUMENTS

The fair value of financial assets and liabilities, together with the carrying amounts shown in the Group balance sheet, are as follows.
No financial assets or liabilities have been reclassified during the period.

	2020		2019	
	Loans and Receivables £'000	Fair value Profit or loss £'000	Loans and receivables £'000	Fair value Profit or loss £'000
Financial assets:				
Trade and other receivables	24	-	125	-
Total current	24	-	125	-
Total	24	-	125	-
Financial liabilities:				
Loans	-	-	-	-
Total non- current	-	-	-	-
Trade and other payables	32	-	664	-
Loans	-	-	10	-
Total current	32	-	674	-
Total	32	-	674	-

Trade and other receivables exclude the value of any prepayments or accrued income. Trade and other payables exclude the value of deferred income. All financial assets and liabilities have a carrying value that approximates to fair value. For trade and other receivables, allowances are made within the book value for credit risk.

19. FINANCIAL INSTRUMENTS (continued)

RISKS

The main risks arising from the Group's financial instruments are market risk, liquidity risk and credit risk. Market risk includes price commodity risk, foreign exchange risk and interest rate risk. The Group has an exposure to foreign exchange risk to the extent that investments may be priced in US dollars or other currencies and has no loans, therefore limited exposure to interest rate risk.

Cash and cash equivalents held at floating rates expose the entity to cash flow risk. Interest rate risk is limited to the cash and cash equivalents.

Based on the balance sheet value of cash and cash equivalents, a 1% change in interest base rates would lead to an increase or decrease in income and equity of £1,865 (2019: £3,892).

The Board reviews and agrees policies for managing each of the above risks and they are summarised below and in the accounting policies to the Group financial statements. These policies have been consistently applied throughout the period.

COMMODITY PRICE RISK

The Group holds no stock and as such has no exposure to commodities.

LIQUIDITY RISK

The Group's liquidity is dependent on the cash balances available and it is the Group's policy to place surplus cash on deposit to ensure it has an appropriate rate of return. The Board reviews an annual 12 month financial projection as well as information regarding cash balances. The maturity profile of the Group's finance lease liabilities is set out in note 22.

CREDIT RISK

The Group's principal financial assets are cash deposits, available for sale financial assets and trade and other receivables. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade and other receivables and available for sale financial assets.

In order to manage credit risk the directors of the subsidiary company set limits for customers based on a combination of payment history, third party credit references and knowledge of the customers. Credit limits are reviewed by the subsidiary's directors on a regular basis in conjunction with debt ageing and experience. In 2019 there were a limited number of concentrations of credit risk. In the prior year, the Group had exposure to two large debtor balances at the period end which accounted for almost a third of the balance due between 61 and 120 days. There were no such large debtors as at 30 September 2020.

Where appropriate, the subsidiary company requests payment or part-payment in advance of shipment. In connection with the trade receivables, there is a risk of warranty claims, which the subsidiary company tries to minimise. The carrying value of the trade receivables represents the maximum credit risk exposure and therefore sensitivity analysis has not been performed.

Collection procedures in relation to receivables are initiated once the credit terms are exceeded and trade receivables both due and not yet due are reviewed on a line by line basis, with adequate provision being made against period end balances where appropriate. During the period an additional provision of £Nil (2019: £225,000) has been included in the financial statements.

At the period end, 0% (2019: 84.5%) of current financial assets are aged greater than 90 days. These amounted to £Nil and, of this amount, £Nil has been provided for (2019: £810,350 and £771,770 respectively).

19. FINANCIAL INSTRUMENTS (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Available for sale financial assets				
Quoted and unquoted securities	413	-	-	413

In the prior year, the fair value of financial instruments was observed to be Level 2 (2019: £735,000). However, during the current period this has subsequently changed given that they are now held at a discount to the quoted market price. The directors consider it appropriate to apply a discount due to a lack of liquidity in the markets.

20. DEFERRED TAXATION

The deferred taxation liability at 30 September 2020 was £Nil (2019: £Nil).

No provision has been made for the potential deferred tax assets on the trading losses carried forward as they are not sufficiently certain to crystallise in the foreseeable future. This assumption will be revisited on an annual basis or as and when circumstances change. The amounts not recognised (all of which have been calculated at 19% (2019: 17%) are set out below:

Group	**2020 £'000**	2019 £'000
Arising from trading losses	**265**	765
Arising from capital losses	**1,577**	1,451
Arising from pension deficit	**-**	847
	1,842	3,063

21. CONTINGENT LIABILITIES

		2020 £'000	2019 £'000
a)	Banker's indemnities	**-**	30

The indemnities relate to provision of services such as letters of credit or international guarantees by the bank.

b) There were no other contingent liabilities at 30 September 2020 or 31 March 2019.

22. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2020 the Group had the following commitments under non-cancellable operating leases:

	Other	
	2020	2019
	£'000	£'000
Within one period	**-**	1
Between two and five periods inclusive	**-**	3
	-	4

23. SUBSIDIARIES

At 30 September 2020 the Company held share capital in the following subsidiaries:

Company	% Holding	Activity	Registered office	Country of Incorporation
British Polar Engines Limited *	100%	Manufacture and supply of diesel engines, associated servicing and sale of spare parts	133 Helen Street, Govan, Glasgow, G51 3HD	Scotland
Akoris Trading Limited	99.7%	Commodity, natural resource finance, trading and investment	9 High Street Little Eversden Cambridge CB23 1HE	England & Wales

* The investment in British Polar Engines Limited and Akoris Trading Limited was fully provided against at 31 March 2019. British Polar Engines Limited was disposed of on 4 August 2020, as outlined in note 10 on page 42.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £'000	31 March 2019 £'000
ASSETS			
Non-current assets			
Property, plant and equipment	7	-	-
Investments in subsidiaries	9	-	-
Available for sale financial assets	11	413	21
		413	21
Current assets			
Trade and other receivables	12	24	5
Cash and cash equivalents		154	60
		178	65
Total assets		591	86
EQUITY AND LIABILITIES			
Called up share capital	16	51	51
Deferred shares	16	2,594	2,594
Share premium account		5,370	5,370
Other reserve		212	212
Available for sale reserve		270	(57)
Retained earnings		(7,936)	(8,182)
Total equity		561	(12)
LIABILITIES			
Current liabilities			
Trade and other payables	13	30	98
Total liabilities		30	98
Total equity and liabilities		591	86

Under section 408 of the Companies Act 2006, the company is exempt from the requirements to present its own Income statement. The profit after tax for the period was £245,757 (2019: loss £25,605)

The financial statements were approved and authorised for issue by the Board of Directors on 30 March 2021 and were signed below on its behalf by:

C Weinberg
Director

The accounting policies on pages 14 and 19 and the notes on pages 40 to 45 form part of these accounts.

ASSOCIATED BRITISH ENGINEERING PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	Share capital	Share premium	Deferred shares	Other reserve	Available for Sale Financial Assets	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£000
Balance at 1 April 2018	51	5,370	2,594	212	(32)	(8,172)	23
Loss for the period	-	-	-	-	-	(26)	(26)
Other comprehensive income							
Unrealised loss on Available for Sale financial assets (**)	-	-	-	-	(9)	-	(9)
Realised gain on Available for Sale financial assets (**)	-	-	-	-	(16)	16	-
Total comprehensive income for the period	-	-	-	-	(25)	(10)	(35)
Balance at 31 March 2019	51	5,370	2,594	212	(57)	(8,182)	(12)
Profit for the period	-	-	-	-	-	246	246
Other comprehensive income							
Unrealised gain on Available for Sale financial assets (**)	-	-	-	-	327		327
Realised gain on Available for Sale financial assets (**)	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	327	246	573
Balance at 30 September 2020	**51**	**5,370**	**2,594**	**212**	**270**	**(7,936)**	**561**

(**) = Items which may subsequently be reclassified to the Income Statement.

The accounting policies on pages 14 and 19 and the notes on pages 40 to 45 form part of these accounts.

COMPANY CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Cash used in operations	**59**	(55)
Interest received	**-**	23
Net cash used in operating activities	**59**	(32)
Cash flows from investing activities		
New investments	**(65)**	-
Sale proceeds from trading investments	**-**	68
Sale proceeds from subsidiary disposal	**100**	-
Net cash derived from investing activities	**35**	68
Cash flows from financing activities	**-**	-
Net cash used in financing activities	**-**	-
Net increase/ (decrease) in cash and cash equivalents	**94**	36
Cash and cash equivalents at beginning of period	**60**	24
Cash and cash equivalents at end of period	**154**	60

CASH FLOW FROM OPERATING ACTIVITIES

	2020 £'000	2019 £'000
Profit/(loss) before taxation	**246**	(25)
Adjustments for:		
Interest income	**-**	(23)
Non-cash write offs	**-**	1
Profit on disposal of Available for Sale investments	**-**	(2)
Profit on disposal of subsidiary undertaking	**(100)**	-
Changes in working capital:		
Decrease/(increase) in trade and other receivables	**(19)**	(5)
(Decrease)/increase in trade and other payables	**(68)**	-
Taxes paid	**-**	-
Cash used in operations	**59**	(55)

The accounting policies on pages 14 and 19 and the notes on pages 40 to 45 form part of these accounts.

1. OPERATING COSTS AND OPERATING LOSS

Operating loss is stated after charging

	30 Sep 2020 £'000	31 Mar 2019 £'000
Fees payable to the Company's auditor for the audit of the company's annual accounts	**9**	23

2. STAFF COSTS AND EMPLOYEES

	30 Sep 2020 £'000	31 Mar 2019 £'000
Wages and salaries	**62**	54
Social security costs	**3**	-
	65	54

The average monthly number of persons employed by the Company during the period was:

	30 Sep 2020 Number	31 Mar 2019 Number
By activity		
Directors	**2**	2
Administration	**1**	1
	3	3

3. DIRECTORS' REMUNERATION

	30 Sep 2020 £'000	31 Mar 2019 £'000
Remuneration in respect of directors was as follows:		
Remuneration	**42**	32

4. KEY MANAGEMENT COMPENSATION

	30 Sep 2020 £'000	31 Mar 2019 £'000
Remuneration of Company directors	**42**	32

The Company made no pension contributions in respect of Company directors during the period ended 30 September 2020 or 31 March 2019.

5. INTEREST RECEIVED

	30 Sep 2020 £'000	31 Mar 2019 £'000
Interest receivable on cash and cash equivalents	**-**	(23)
	-	(23)

6. TAXATION

There is no taxation liability at 30 September 2020 (31 March 2019: £Nil)

7. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment £'000	Total £'000
COST		
At 1 April 2018	2	2
At 31 March 2019	2	2
At 1 April 2019	2	2
At 30 September 2020	**2**	**2**
ACCUMULATED DEPRECIATION		
At 1 April 2018	2	2
At 31 March 2019	2	2
At 1 April 2019	2	2
At 30 September 2020	**2**	**2**
CARRYING AMOUNTS		
At 30 September 2020	**-**	**-**
At 31 March 2019	-	-
At 1 April 2018	-	-

8. CAPITAL COMMITMENTS

At 30 September 2020 the Company has no capital commitments (31 March 2019: £Nil)

9. INVESTMENTS IN SUBSIDIARIES

Company	% Holding	Activity	Registered office	Country of Incorporation
British Polar Engines Limited *	100%	Manufacture and supply of diesel engines, associated servicing and sale of spare parts	133 Helen Street, Govan, Glasgow, G51 3HD	Scotland
Akoris Trading Limited	99.7%	Commodity, natural resource trading and investment	9 High Street Little Eversden Cambridge CB23 1HE	England & Wales

* The investment in British Polar Engines Limited and Akoris Trading Limited was fully provided against at 31 March 2019. British Polar Engines Limited was disposed of on 4 August 2020, as outlined in note 10 below.

10. DISPOSAL OF SUBSIDIARY (continued)

The Board of Associated British Engineering Plc after a period of marketing the business of its wholly owned subsidiary British Polar Engines Limited (“BPE”) as being for sale agreed terms to dispose of its interests in the company BPE to Mr N. Marks on behalf of himself and Mewa Industrial Holdings Limited. Following the subsequent approval by both the Pension Fund and Associated British Engineering Plc.’s shareholders, on the 4 August 2020 the Company completed the sale of all the ordinary share capital in its Principal Trading subsidiary BPE for £1 and also assigned the balance of its remaining debt due from BPE to its parent company, Associated British Engineering Plc for £100,000. Consequently following this sale the trade of BPE including its pension fund’s assets and liabilities, were no longer part of the Group. The results of BPE for the period from 1 April 2019 to 4 August 2020 are uncertain and depended to a large extent on the trading conditions in the later part of this period and on an assessment of the pension fund’s performance. Unfortunately this was also a period of considerable disruption due to a) COVID19, b) our chief accountant of BPE having time off for personal problems and c) uncertainty regarding the pension fund. Following the sale the directors of the Company, despite strenuous efforts, have been denied access to the accounting records of BPE to clarify the trading position for this period to 4 August 2020. The Directors are of the opinion that the lack of information on BPE does not materially affect the understanding of the balance sheet at 30 September 2020 or the business of the Group as it is currently constituted.

The results of the disposed subsidiary up to the date of the disposal, which have been included in the Income statement were as follows:

	As at 31 March 2019 £’000
Revenue	1,134
Cost of sales	(1,148)
Administrative expenses	(1,556)
Depreciation and impairment	(238)
Other income and exchange gains	106
Finance costs	(68)
Loss before taxation	(1,770)
Income tax credit	79
Net loss attributable to discontinuation	(1,691)

At the disposal date of 4 August 2020, the total net liability value of £5,139,275 consisted of:

Tangible assets	£534,000
Available for sale investments	£714,000
Inventories	£165,000
Cash at bank	£328,985
Other receivables	£119,504
Other payables	(£2,018,764)
Retirement benefit obligation	(£4,982,000)
	£5,139,275

Group gain on disposal of subsidiary

Consideration received	£100,000
Net liability disposed of	(£5,139,275)
Gain on disposal	£5,239,275
Loss from discontinued operations	-
Total gain from discontinued operations	£5,239,275

11 AVAILABLE FOR SALE INVESTMENTS

	2020 £'000	2019 £'000
Listed securities	413	21

	Available For Sale financial assets £
Opening balance	21
Intragroup transfer	65
Net fair value gain	327
Closing balance	413

Gains or losses on available for sale investments are presented within other comprehensive income.

IFRS 13 requires that the fair value reflects "exit price" and is valued in line with the relevant "unit of account" and the fair value of the equity investments held is calculated by reference to the quoted market price at the period end.

Available for sale investments, which are valued based on active markets' prices, are reported under Level 1 in the fair value hierarchy.

12 TRADE AND OTHER RECEIVABLES

Amounts falling due within one period	**2020 £'000**	2019 £'000
Trade and other receivables	**21**	-
Other taxation and social security receivables	**3**	5
	24	5

13 TRADE AND OTHER PAYABLES

Amounts falling due within one period	**2020 £'000**	2019 £'000
Trade and other payables	**23**	57
Accruals and deferred income	**7**	41
	30	98

14 FINANCIAL INSTRUMENTS

The fair values of cash and cash equivalents, available for sale financial assets, receivables and payables are assumed to approximate to their carrying values.

The Company's financial instruments comprise cash and various items, such as trade and other receivables, available for sale financial assets and trade and other payables that arise directly from its operations. The main purpose of these financial instruments is to finance the Company's operations. At 30 September 2020 the Company has cash balances of £153,840 (2019: £60,000) and no bank overdraft (2019: £Nil).

14 FINANCIAL INSTRUMENTS (continued)

RISKS

The main risks arising from the Company's financial instruments are market risk, liquidity risk and credit risk. Market risk includes foreign exchange risk and interest rate risk. The Company has limited exposure to foreign exchange risk and also has no loans, therefore limited exposure to interest rate risk.

Cash and cash equivalents held at floating rates expose the entity to cash flow risk. Interest rate risk is limited to the cash and cash equivalents.

Based on the balance sheet value of cash and cash equivalents, a 1% change in interest base rates would lead to an increase or decrease in income and equity of £1,539 (2019: £600).

The Board reviews and agrees policies for managing each of the above risks and they are summarised overleaf and in the accounting policies to the Company financial statements. These policies have been consistently applied throughout the period.

LIQUIDITY RISK

The Company's liquidity is dependent on the cash balances available and it is the Company's policy to place surplus cash on deposit to ensure as high a rate of return as possible. The Board reviews an annual 12 month financial projection as well as information regarding cash balances on a monthly basis.

CREDIT RISK

The Company's principal financial assets are cash deposits, available for sale financial assets and trade and other receivables. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The credit risk arising from its trade and other receivables is negligible.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Available for sale financial assets				
Quoted and unquoted securities (2020)	413	-	-	413
Available for sale financial assets				
Quoted securities (2019)	21	-	-	21

15 DEFERRED TAXATION

	2020 **£'000**	2019 £'000
Arising from trading losses	**265**	259
Arising from capital losses	**1,577**	1,408
	1,842	1,667

The trading losses are available to be used against future profits.
Deferred tax assets on the trading losses have not been provided in the financial statements as they are not sufficiently certain to crystallise in the foreseeable future. The amounts not recognised are set out above.

16 CALLED UP SHARE CAPITAL

	2020 **£'000**	2019 £'000
Nominal value:		
Allotted and fully paid:		
2,048,990 ordinary shares of £0.025 each	**51**	51
1,313,427 deferred shares of £1.975 each share premium	**2,594**	2,594
	2,645	2,645
Carrying value:		
Equity shares:		
2,048,990 ordinary shares of £0.025 each	**51**	51

Further to the Extraordinary General Meeting held on 1 September 1999 the ordinary shares have 200 votes per share.

The deferred shares do not have voting rights and do not carry any entitlement to attend general meetings of the Company; they are not admitted to any Stock Exchange and carry a right to participate in any return of capital once an amount of £100 has been paid in respect of each new ordinary share.

17 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 September 2020 or 31 March 2019.

18 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption with regard to disclosing transactions with wholly-owned subsidiaries, on the grounds that the results of the subsidiaries are included in the publicly available consolidated financial statements of Associated British Engineering Plc.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Directors' Report, the Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors are required to prepare financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRSs) and have also been chosen to prepare the parent company financial statements under IFRS as adopted by the European Union. 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 Group and Company and 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
- state whether applicable accounting standards, IFRS as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business
- prepare a directors' reports, strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company'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 and the directors remuneration report comply with the Companies Act 2006 and Article 4 of the IAS Regulations. 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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- the directors are responsible for preparing the annual report in accordance with applicable law and regulations. The directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy and is fair, balanced and understandable

WEBSITE PUBLICATION

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' RESPONSIBILITIES PURSUANT TO DTR4

To the best of their knowledge, the directors confirm:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position of the Group and Company and profit or loss of the Group as at 30 September 2020; and
- the annual report, including the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties faced.

C Weinberg
Director

Date: 30 March 2021

CORPORATE GOVERNANCE REPORT
(AS REFERRED TO IN THE DIRECTORS' REPORT)

In accordance with the requirements of the Listing Rules of the Financial Conduct Authority, set out below are details of the Company's corporate governance arrangements, including a statement as to how the Company applies the main principles of the UK Corporate Governance Code ("the Code"), together with a statement regarding its compliance with specific provisions. The Code is publicly available on the Financial Reporting Council's website www.frc.org.uk. Whilst welcoming the principles contained within the Code, the Board considers that it should be recognised that what may be appropriate for a large Company may not necessarily be so appropriate for a smaller company and the Company's current circumstances. As a result, the Company has been in compliance throughout the period with the provisions set out in the UK Corporate Governance Code with the following exceptions:-

- The division of responsibilities between the roles of chairman and chief executive have not been clearly established, set out in writing and agreed by the Board. This is contrary to provision A.2.1. This has not been put in place because there is no chief executive on the Board but the appointment of joint-chairmen provides checks and balances;
- The Company does not have a Nomination Committee, this is contrary to provisions B2.1–B2.2 and B2.4. This has not been considered necessary due to the size and nature of the Board which consists of two part time executive directors;
- The non–executive director of the Company has not been appointed for specific terms as required by provision B2.3. This has not been considered necessary as the sole incumbent resigned and a new non-executive director has not been appointed;
- There is no formal training programme for new directors on joining the Board. This is contrary to provision B4.2. This has not been considered necessary to date but will be actively considered by the Board for new appointments;
- The Board has not undertaken a formal and rigorous annual evaluation of its own performance and the individual directors. This is contrary to provision B.6.1. When a new non-executive director is appointed this will be implemented.
- The Board has not appointed independent non-executive directors as required by B1.2, C.3.1, A4 and D2.1. The Board is actively pursuing suitable candidates for the position(s).

Board of Directors
The Board comprises two part time executive directors, as detailed in the Directors' Report.

The Board of Directors is responsible for formulating strategy and monitoring financial performance. The directors are in frequent contact throughout the period with the Group's management, meet as required and also attend formal Board meetings. The strategies proposed by management of the company and its subsidiaries are fully discussed, critically examined against the best and long term interests of not only the shareholders, but also customers, employees, suppliers and various communities and environments within which the Company operates. During the period, all serving directors were in attendance at Board meetings.

The Board retains full responsibility for the direction and control of the Group and has a formal schedule of matters in respect of which decisions are reserved to it, covering key areas including strategy formulation, acquisitions or disposals, approval of the budget for the subsidiary, financial results, board appointments and proposals for dividend payments.

The Board has full and timely access to relevant information throughout the Group.

All directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are complied with. There is also formal agreed procedure for directors in the furtherance of their duties to take independent professional advice as necessary at the Group's expense.

The business address of each of the directors is 9 High Street, Little Eversden, Cambridge CB23 1HE.

The board is supported by Peter Morton the ABE Office Administrator.

The **Current Directors**

Rupert Pearce Gould
Colin Weinberg

Short biographies of the directors appear on page 55 and show considerable and varied experience in the business world and the City.

Under the Company's Articles of Association, new directors and at least one third of the directors retire from office each period. The retiring director is eligible for re-election.

At the period end, there were no independent non-executive directors. The directors continue to search for a suitable candidate for the role and intend to appoint a non- executive director in the near future.

Nominations Committee

The appointment of directors will be discussed by the full Board until such time as there are two non-executive directors to form an effective committee. Potential new non-executive directors are proposed by all the members of the Board and major shareholders; the Board considers these in the light of the Company's business requirements and the need to have a balanced Board. The Board will then implement an appropriate review committee.

Audit Committee

The Company's audit committee comprises the full Board. The audit committee meets at least twice a year to monitor the financial reporting process, including its annual and interim accounts; the effectiveness of the Company's internal controls and risk management systems; statutory audit of the annual accounts; and to review and monitor the independence of the statutory auditor and provision of additional services to the Company.

There is no internal audit function. Due to the size of the finance function and the close involvement of directors, the Board and the Audit Committee do not consider there to be a need for a separate internal audit function.

As part of this process, the performance of the Group's major division is considered, with key judgements, estimates and accounting policies being approved by the subsidiary Board ahead of recommendation to the Group board. The primary areas of financial reporting judgement considered by the Committee in relation to the 2020 financial statements and how they were addressed are outlined below:

Going concern
The committee considered the use of the going concern basis following the disposal of BPE. The audit committee has considered and approves of the changes in the company's policy of reducing the forecast period of the business insofar as it has exempted management from producing three-period projections. This will be reviewed annually.

Revenue Recognition and Management Override
The Committee have reviewed the systems and control processes in place during the financial period to 30 September 2020 and concluded that, given the resources available, appropriate procedures are in place. There is sufficient level of supervisory oversight in place to ensure that revenue is not materially misstated and the risk of management override has been reduced.

Recoverability of receivables
The Committee have reviewed the policy for providing for doubtful debts and believe them to be both robust and adequate.

Appointing the auditor

On 12 March 2020, Haysmacintyre LLP resigned as Auditors of the Company.

Bright Grahame Murray were appointed as Auditors to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Safeguards on non-audit services
Bright Grahame Murray do not provide any prohibited non-audit services. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Assessing external audit effectiveness
The Audit Committee reviews audit quality every period using feedback from the Auditors and Senior Management Team. The effectiveness and quality of the audit process is considered by focussing on the scope of the audit and auditor independence in order to ensure that the quality of the audit process is not compromised and remains effective.

The Board consider the independence and objectivity of the external auditor on an annual basis, with particular regard to non-audit services. There were no prohibited non-audit fees incurred from the auditor during the period. The Board also receive an annual confirmation of independence from the auditors.

The committee has overseen the preparation of the viability statement and has conducted a robust examination of the risks identified, the resulting actions that may be required and the project outcomes.

Remuneration
The Company's remuneration committee comprises Rupert Pearce Gould and Colin Weinberg. The remuneration committee is to meet at least twice a period and has as its remit the determination and review of, amongst others, the remuneration of directors including company directors together with any incentive plans adopted, or to be adopted, by the Company and the Group.

Communication with Shareholders
The Board believes it is important to respond adequately to the queries of both private and institutional shareholders. The Chairman's Statement in the Annual Report contains a business review. An interim business review is also provided with the half-period announcement. The Chairmen are available to shareholders at any time to discuss strategy and governance matters.

AUDIT AND INTERNAL CONTROL

The Board seeks to ensure that its report and accounts and other financial statements provide a clear assessment of the Group's business. All shareholders have the opportunity to ask questions and express their views at the Company's Annual General Meeting, at which all directors are available to take questions.

The directors are responsible for the Group's system of internal control and reviewing its effectiveness and the processes in place for risk management.

These controls can only ever provide reasonable but not absolute assurance that assets are safeguarded against material misstatement or loss, that proper accounting records are maintained, and that the information used internally, or for publication, is accurate and reliable. The key procedures, which existed to provide external control, are as follows:

- A regular review is undertaken to assess the risks facing the trading subsidiary and to enhance the systems which manage the risk identified. Management establishes control procedures for each of the risks identified and reports whether the key controls have operated effectively
- Agreement of Group short term financial objectives and business plans
- Review by the Board of monthly Group Financial Statements and monitoring of results against budget. The executive directors attend regular Board meetings of the subsidiary

AUDIT AND INTERNAL CONTROL (continued)

- The acquisition or disposal of a business may not be completed without the approval of the Board.
- The operational responsibility for preparing the consolidated accounts is delegated to a third party service provider with the Board retaining responsibility for overall content, presentation and final review of the consolidated accounts.
- Clearly defined organisation structures with segregation of duties wherever practicable. Operating and financial responsibilities for the subsidiary Companies are delegated to the subsidiary Board and there are limits which apply to capital expenditure and significant contracts.
- The executive directors attend regular Board meetings of the subsidiary
- Board control over treasury, taxation, legal, insurance and personnel issues
- The acquisition or disposal of a business may not be completed without the approval of the Board.
- The operational responsibility for preparing the consolidated accounts is delegated to a third party service provider with the Board retaining responsibility for overall content, presentation and final review of the consolidated accounts.

Risk Management

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant business risks faced by the Group, including those risks relating to social, environmental and ethical matters. This process was in place throughout the period under review and up to the date of approval of this report. The Audit Committee has kept under review the effectiveness of the system of internal control and has reported regularly to the Board.

Through these mechanisms, Group performance is continually monitored, risks identified in a timely manner via a robust risk assessment, their financial implication assessed, control procedure re-evaluated and corrective actions agreed and where possible implemented

The Board believes that it is not currently appropriate for the Group to maintain an internal audit function due to the size of the Group and the manner in which the Group operates.

Fair, Balanced and Understandable

We consistently seek to improve the process of compiling the Annual Report to give the Board more time to assess whether it was fair, balanced and understandable, as required by the Code. The Board considered whether the Annual Report contained the necessary information for shareholders to assess the Group's performance, business model and strategy. The tone was reviewed to ensure a balanced approach and, with the support of the Audit Committee, the Board made sure the narrative at the front end of the report was consistent with the financial statements.

VIABILITY STATEMENT

In accordance with provision C2.2 of the UK Corporate Governance Code, published by the Financial Reporting Council ("FRC") in September 2015, the directors have assessed the viability of the Group over the immediate and foreseeable future and in consideration of its sales and marketing projections. This assessment has been made taking account of the current position of the Group, the present immediate plan, the corporate planning process, a budget for the operating company and the Group's principal risks associated with the current plan.

The provision C2.2 of the UK Corporate Governance Code and Appendix B of the FRC Guidance state that the period covered for longer term viability statement should be significantly longer than 12 months from approval of the financial statements as set out in the basis of preparation in the account policies of these financial statements.

VIABILITY STATEMENT (continued)

In assessing the prospects of the Group, the directors noted that such assessment is subject to a degree of uncertainty that can be expected to increase looking out over time and, accordingly, that future outcomes cannot be guaranteed or predicted with certainty. The Board have concluded that, at the time of theses financial statements being signed, there is adequate visibility of the 12 months ahead for these financial statements to be prepared on the going concern basis.

On behalf of the Board
C Weinberg
Director
Date: 30 March 2021

Introduction

This report is submitted in accordance with Schedule 8 of the Large and Medium sized Companies (accounts and Reports) (Amendment) Regulations 2014 in respect of the period ended 30 September 2020. The reporting requirements entail two sections to be included, a Policy Report and an Annual Remuneration Report which are presented below.

The Company's auditor, Bright Grahame Murray, is required to give its opinion on certain information included in this report, this comprises of the Directors Remuneration – single figure table on page 53 and the information on directors shareholdings which is contained in the directors' report on page 4 and also forms part of this directors' remuneration report. Their report on these and other matters is set out on pages 3 to 5.

Consideration by the Directors of Matters Relating to Directors' Remuneration

The Company's Remuneration Committee considers Directors' remuneration and has not sought advice or services from any person in respect of its consideration of Directors' remuneration during the period although the Directors expect from time to time to review the fees against those paid to boards of directors of comparable organisations and appointments. The Company does not have a Chief Executive Officer, Senior Management or any full time employees and relies on senior management in each subsidiary.

DIRECTORS' REMUNERATION POLICY REPORT

The roles of the directors are as follows:-

Joint Chairman and Deputy Chairman – Rupert Pearce Gould (part time executive - operational)
Joint Chairman and Deputy Chairman – Colin Weinberg (part time executive - finance)

The Company's policy is for the Directors to be remunerated in the form of fees, payable monthly in arrears. The directors each receive a fee for their services, which is agreed by the Remuneration Committee after reviewing comparable organisations and appointments. None of the directors receive a pension or other benefit from the Company, nor do they participate in any bonus or incentive schemes or share option schemes.

The fees are not specifically related to the Directors' performance, either individually or collectively. The Board is also entitled to be repaid all reasonable travelling subsistence and other expenses incurred by them respectively whilst conducting their duties as Directors, however no other remuneration or compensation was paid or payable by the company during the period to any of the current Directors. There will be no payment for loss of office unless approved by a separate shareholder resolution.

Major decisions on Remuneration

The Company's policy is that the fees payable to each director should reflect the time spent by the directors on the Company's affairs and the responsibilities borne by each of the directors. They should be sufficient to attract candidates of high calibre to be recruited. The policy is for the Chairmen of the Board to be paid higher fees than the other directors in recognition of the more onerous role. The Remuneration policy is to review the director's fee rates from time to time, benchmarking the fees against comparable organisations and appointments, although such review will not necessarily result in any change. Due to the nature of the Company, there are no full time employees and therefore the requirement to consider the percentage change in remuneration of all employees when determining the Directors' remuneration is not considered to be relevant.

The directors have agreements with the company that may be terminated on one period's notice. In accordance with the Articles of Association each director retires from office at the third annual general meeting after the annual general meeting at which he was last elected. A retiring director is eligible for re-election.

A Director may resign by notice in writing to the Board at any time giving one month's notice. None of the Directors are entitled to compensation payable upon early termination of their arrangements other than in respect of any unexpired notice period.

In accordance with the reporting requirements of Large and Medium sized Companies (accounts and Reports) (Amendment) Regulations 2014, an Ordinary resolution for the approval of the remuneration policy of the Company to remain in force for a three-period period, was put to the members of the Annual General Meeting and was effective from that date.

DIRECTORS'REMUNERATION – SINGLE FIGURE TABLE (AUDITED)	**30 Sep 2020 Total £'000**	31 Mar 2019 Total £'000
Mr R Pearce Gould	**14**	10
Mr C Weinberg	**28**	20
	42	30

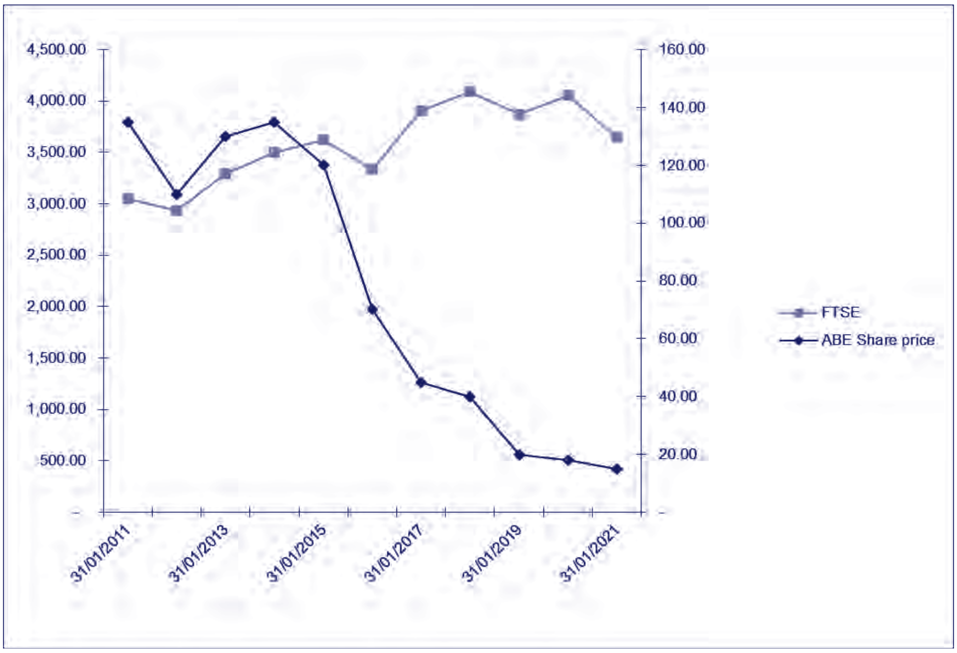
The amounts above all relate to directors fees and represent the total remuneration of the company's directors but excludes fees of £36,000 for consultancy fees (2019: £27,000) paid by a subsidiary to Cambridge Management Consultants Limited, a company related to Mr Pearce Gould.

This section of the report is subject to approval by a simple majority of shareholders at the AGM in 2021, as in previous periods.

Statement of Voting at the Annual General Meeting (AGM)

The 2019 Remuneration Report was presented to the AGM in September 2019 and received shareholder approval following a vote on a show of hands. 1.1% of the votes cast on the proxy forms were against the Report and no votes were withheld. The proxy forms returned contained no explanation for the votes against the resolution.

Total Shareholder Return (TSR)



Source: Yahoo UK finance

The graph on page 54 shows the Company's TSR performance compared to the FTSE All Share index over the past ten periods. TSR is defined as share price growth plus reinvested dividends. This provides a basis for comparison with a relevant equity index but should be treated with caution in view of the small market in the Company's shares.

A statement of directors' shareholdings and interest is reported in the directors' report on page 4.

Company Performance

The Board is responsible for the Company's business strategy and performance.

The Statement of Directors' responsibilities, Corporate Governance report and the Directors' Remuneration report on pages 45 to 54 form part of the Directors' report.

On behalf of the Board

C Weinberg
Director

Date : 30 March 2021

DIRECTORS, REGISTERED OFFICE AND ADVISERS

The Board comprises two directors:

COLIN WEINBERG (70) became a non-executive director on 10 November 2003. He was a member of the London Stock Exchange from 1980 to 1987 and was admitted to fellowship of the Securities Institute in 1995. He was previously a non-executive director of Peckham Building Society.

RUPERT PEARCE GOULD (69) was appointed as non-executive director on 18 September 2016. Rupert has a degree in engineering and has served as an executive director and chairman in both the public and private sector. He was chairman of BPE from 2000 to 2020.

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