

Chairman's statement

Results and Review

It is a pleasure to report that, for the year ended 30th April 2022, the Company attained considerable progress across the Group's divisions, resulting in a significantly improved pre-tax profit of £5.97m (2021-£1.59m) on increased revenue of £74.52m (2021-£61.54m).

Basic earnings per share amounted to 30.9p, (2021- 7.2p). The balance sheet was further strengthened with cash and cash equivalents rising to £18.1m (2021 - £17.4m).

The Group has made a strong recovery post the many constraints imposed by Covid. This, I believe, demonstrates the tangible benefits of operating an optimistic, long-term investment and support strategy, that we practice daily, to support and encourage the respective management teams that directly oversee the operations of our diverse businesses.

During the period under review, two common themes continued to feature across all divisions, namely the prolonged negative effects of the global pandemic and extended periods of limited availability of materials and components. Such issues required close and constant monitoring by our management teams to ensure sustained high-quality sales output. A job well done by everyone.

'Defence'

This was a remarkable year of great achievements for this division, highlighted by the phased manufacture and delivery of the first 7 of 8 No MSI-DS30mm naval weapon systems to the United States Navy. This was achieved in a timely manner to facilitate our customer's comprehensive test and certification programme of the MSI product. The anticipated successful prototype testing of the MSI weapon system, is the precursor to a highly prized sole source 'Follow-on Production Contract'. Presently, all trials are going to plan and positive progress is being made.

In the UK, our new 'state of the art' Norwich manufacturing facility is in the final phase of completion, whilst, in the United States of America, we are in the early stages of our programme to establish an appropriate product support resource for our weapon systems, along-side our contemporary forging facilities, in South Carolina. These projects are essential to support our perceived growing defence opportunities in the United States.

We also firmly believe that our 'state of the art' weapon system will significantly enhance the capability and protection of the Royal Navy, once a forward-looking decision is made to upgrade their existing historic, small calibre weapons systems. We stand ready, with our modern manufacturing facilities and proven international capabilities, to work with the UK MOD to meet such requirements.

'Forgings'

This division also performed extremely well, successfully navigating the disrupted, and constantly changing, international business environment. There is little doubt that having established contemporary automated 'local' production facilities - in the UK and both North and South America, – successfully enabled MSI to welcome and secure many customers that had previously procured product from China.

'Petrol Station Superstructures' – mobility hubs

Operations in both the UK and the Poland performed resiliently against a prevailing uncertain backdrop. Despite the challenges, the division continued to make great progress, pleasingly exceeding management's revenue forecasts. Many forecourt operators have continued to develop their sites to incorporate a substantial grocery

store and catering facility and Global-MSI designed, manufactured and erected many such structures during the period.

As with all construction orientated businesses, the negative impact of the lack of readily available materials and their associated fluctuating costs, became a major factor in terms of managing day to day operations. Such disruptive circumstances necessitated some contracts to be re-negotiated to the mutual satisfaction of all parties.

‘Corporate Branding’

This division traded at similar levels to the prior year, as commercial activity remained seriously constrained across mainland Europe’s national borders. We took action to restructure the division’s operations in both The Netherlands and Germany and much has been achieved as a result, leaving it better geared to the current needs of the market. Pleasingly, the UK based business has continued to prosper, gaining market share and expanding operational capabilities and facilities.

Outlook

‘Defence’

Foremost, we look forward with confidence to a favourable report on our 30mm naval weapon system, presently on approval test by the US Navy.

Furthermore, recent events have served to focus attention on the need for appropriate national security to combat potential lethal land-based threats. We believe that, as our additional ‘in-house’ product developments come to fruition, there will be numerous opportunities across international markets to supply our, tested and proven, land-based defence equipment.

‘Forgings’

Demand for our high quality, forged products is increasing, as customers seek assured and dependable security of supply. To that end, we will continue to invest in further automating our manufacturing facilities in the UK, the United States and South America.

‘Petrol Station Superstructures’

The markets we serve are vigorously embracing change, not only in the development of providing and dispensing alternative fuel types but also in broadening their provision of services to include groceries and catering facilities. The development expertise and scale of the buildings required to dispense such services are most appropriate to the designs, manufacturing and erection skills of Global-MSI. We expect further growth opportunities for both our UK and Polish operations.

‘Corporate Branding’

We have completed restructuring in The Netherlands and Germany and expanded our UK operations. So, now that inter-country business activity across mainland Europe has been restored, we are cautiously optimistic that we will achieve a more profitable division this year.

Pleasingly, we have already received instructions from a number of major customers to speedily recommence projects, that they had put ‘on hold’, owing to the scale and duration of the pandemic.

Summary

We believe that we have placed each of our businesses in a strong and exciting position within the markets which we serve. Close monitoring of performance and further support in the development of new products and services will, no doubt, bring further rewards.

All matters considered the Board recommends the payment of a final dividend of 7.5p per share (2021 - 6.5p) making a total for the year of 9.25p (2021 - 8.25p).

The final dividend is expected to be paid on the 12th August 2022, to those shareholders on the register at the close of business on the 15th July 2022.

Michael Bell
27th June 2021

MS INTERNATIONAL plc
Michael Bell

Tel: 01302 322133

Shore Capital (Nominated Adviser and Broker)

Patrick Castle
Daniel Bush

Tel: 020 7408 4090

Copies of this announcement are available from the Company's registered office at MS INTERNATIONAL plc, Balby Carr Bank, Doncaster, DN4 8DH, England. The Notice of AGM will be posted to shareholders on 5th July, 2022. The full Annual Report and Accounts will be posted to shareholders in the week commencing 11th July, 2022. They will be made available on the Company's website at www.msipkc.com and will be delivered to the Registrar of Companies after it has been laid before the Company's members at the Annual General Meeting to be held on 28th July, 2022 at The Holiday Inn, Warmsworth, Doncaster.

Consolidated income statement

For the year ended 30th April, 2022

	2022	2021
	Total	Total
	£'000	£'000
Continuing operations		
Revenue	74,524	61,539
Cost of sales	(54,121)	(44,218)
Gross profit	20,403	17,321
Distribution costs	(3,304)	(2,581)
Administrative expenses	(12,097)	(12,954)
Other operating income	1,185	-
	(14,216)	(15,535)
Group operating profit	6,187	1,786
Share of net profit of joint venture	-	28
Interest received	1	10
Interest paid	(95)	(92)
Other finance costs - pensions	(126)	(140)
	(220)	(222)
Profit before taxation	5,967	1,592
Taxation	(1,035)	(415)
Profit for the year attributable to equity holders of the parent	4,932	1,177
Basic earnings per share	30.9p	7.2p
Diluted earnings per share	29.6p	7.0p

Consolidated statement of comprehensive income

For the year ended 30th April, 2022

	2022	2021
	Total	Total
	£'000	£'000
Profit for the year attributable to equity holders of the parent	4,932	1,177
Exchange differences on retranslation of foreign operations	(603)	(38)
Net other comprehensive loss to be reclassified to profit or loss in subsequent years	(603)	(38)
Remeasurement gains on defined benefit pension scheme	1,601	1,213

Deferred tax on remeasurement on defined benefit scheme	(145)	(230)
Revaluation of land and buildings	3,868	-
Deferred tax on revaluation surplus on land and buildings	(798)	-
Net other comprehensive income not being reclassified to profit or loss in subsequent years	4,526	983
Total comprehensive income for the year attributable to equity holders of the parent	8,855	2,122

Consolidated and company statement of changes in equity

For the year ended 30th April, 2022

	Share capital	Capital redemption reserve	Other reserves	Revaluation reserve	Special reserve	Currency translation reserve	Treasury shares	Retained earnings	Total shareholders' funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Group									
At 30th April, 2020	1,840	901	2,815	6,055	1,629	224	(3,059)	19,723	30,128
Profit for the year	-	-	-	-	-	-	-	1,177	1,177
Other comprehensive (loss)/income	-	-	-	-	-	(38)	-	983	945
Total comprehensive (loss)/income	-	-	-	-	-	(38)	-	2,160	2,122
Dividends paid	-	-	-	-	-	-	-	(578)	(578)
Purchase of own shares	-	-	-	-	-	-	(636)	-	(636)
Cancellation of shares	(56)	56	-	-	-	-	906	(906)	-
At 30th April, 2021	1,784	957	2,815	6,055	1,629	186	(2,789)	20,399	31,036
Profit for the year	-	-	-	-	-	-	-	4,932	4,932
Other comprehensive income/(loss)	-	-	-	3,868	-	(603)	-	658	3,923
Total comprehensive income/(loss)	-	-	-	3,868	-	(603)	-	5,590	8,855
Dividends paid	-	-	-	-	-	-	-	(1,316)	(1,316)
At 30th April, 2022	1,784	957	2,815	9,923	1,629	(417)	(2,789)	24,673	38,575
(b) Company									
At 30th April, 2020	1,840	901	7,620	-	1,629	-	(3,059)	15,618	24,549
Profit for the year	-	-	-	-	-	-	-	1,548	1,548
Other comprehensive income	-	-	-	-	-	-	-	899	899
Total comprehensive income	-	-	-	-	-	-	-	2,447	2,447
Dividends paid (note 10)	-	-	-	-	-	-	-	(578)	(578)
Purchase of own shares (note 22)	-	-	-	-	-	-	(636)	-	(636)
Cancellation of shares	(56)	56	-	-	-	-	906	(906)	-
At 30th April, 2021	1,784	957	7,620	-	1,629	-	(2,789)	16,581	25,782
Profit for the year	-	-	-	-	-	-	-	3,362	3,362
Other comprehensive income	-	-	-	-	-	-	-	1,232	1,232
Total comprehensive income	-	-	-	-	-	-	-	4,594	4,594
Dividends paid	-	-	-	-	-	-	-	(1,316)	(1,316)
At 30th April, 2022	1,784	957	7,620	-	1,629	-	(2,789)	19,859	29,060

Consolidated and company statements of financial position

At 30th April, 2022

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
ASSETS				
Non-current assets				
Property, plant and equipment	24,537	19,113	1,017	935
Right-of-use assets	1,479	530	5,029	5,486
Intangible assets	3,002	3,558	-	-
Investments in subsidiaries	-	-	18,126	17,313
Investment in joint venture	34	36	-	-
Deferred income tax asset	1,435	1,606	1,374	1,600
	30,487	24,843	25,546	25,334
Current assets				
Inventories	16,327	12,423	2,592	1,498
Trade and other receivables	11,396	9,369	15,394	16,135
Contract assets	1,773	1,998	-	-
Income tax receivable	6	194	-	141
Prepayments	1,352	2,010	218	543
Cash and cash equivalents	18,092	17,390	3,258	943
Restricted cash held in Escrow	1,158	6,165	-	-
	50,104	49,549	21,462	19,260
TOTAL ASSETS	80,591	74,392	47,008	44,594
EQUITY AND LIABILITIES				
Equity				
Share capital	1,784	1,784	1,784	1,784
Capital redemption reserve	957	957	957	957
Other reserves	2,815	2,815	7,620	7,620
Revaluation reserve	9,923	6,055	-	-
Special reserve	1,629	1,629	1,629	1,629
Currency translation reserve	(417)	186	-	-
Treasury shares	(2,789)	(2,789)	(2,789)	(2,789)
Retained earnings	24,673	20,399	19,859	16,581
TOTAL EQUITY SHAREHOLDERS' FUNDS	38,575	31,036	29,060	25,782
Non-current liabilities				
Defined benefit pension liability	4,720	7,095	4,720	7,095
Deferred income tax liability	2,578	1,553	-	-
Lease liabilities	1,158	380	4,807	5,214
	8,456	9,028	9,527	12,309
Current liabilities				
Trade and other payables	14,176	12,410	7,068	5,234
Contract liabilities	18,329	21,192	622	874
Income tax payable	702	561	324	-
Lease liabilities	353	165	407	395
	33,560	34,328	8,421	6,503
TOTAL EQUITY AND LIABILITIES	80,591	74,392	47,008	44,594

Consolidated and company cash flow statements

For the year ended 30th April, 2022

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Profit before taxation	5,967	1,592	2,509	92
<i>Adjustments to reconcile profit before taxation to cash generated from operating activities:</i>				
Past service pension costs	-	205	-	205
Depreciation charge of owned assets and right-of-use assets	1,746	1,666	931	895
Amortisation charge	227	237	-	-
Impairment of goodwill	349	348	-	-
Write off of acquired goodwill	-	8	-	-
Profit on sale of fixed assets	(169)	(74)	(163)	(61)
Share of net profit of joint venture	-	(28)	-	-
Termination of lease	-	(7)	-	-
Finance costs	220	222	292	366
Foreign exchange (losses)/gains	(142)	516	-	-
(Increase)/decrease in inventories	(3,657)	3,377	(1,094)	44
(Increase)/decrease in receivables	(1,541)	(6,834)	19	37
Decrease/(increase) in prepayments	611	(237)	325	(246)
Increase in payables	1,340	1,162	1,518	1,296
(Decrease)/increase in progress payments	(3,660)	7,824	(252)	(163)
Pension fund payments	(900)	(600)	(900)	(600)
Cash generated from operating activities	391	9,377	3,185	1,865
Net interest paid	(43)	(52)	(1)	(49)
Taxation (paid)/received	(447)	460	151	-
Net cash (outflow)/inflow from operating activities	(99)	9,785	3,335	1,816
Investing activities				
Payments for acquisitions, net of cash acquired	-	(89)	-	-
Dividends received from subsidiaries	-	-	1,249	1,498
Purchase of property, plant and equipment	(2,703)	(781)	(578)	(268)
Purchase of intangible assets	(54)	-	-	-
Proceeds on disposal of property, plant and equipment	227	97	185	62
Decrease/(increase) in cash held in the Escrow account maturing in more than 90 days	5,007	(6,165)	-	-
Net cash inflow/(outflow) from investing activities	2,477	(6,938)	856	1,292
Financing activities				
Purchase of own shares	-	(636)	-	(636)
Lease payments	(405)	(327)	(560)	(560)
Dividends paid	(1,316)	(578)	(1,316)	(578)
Net cash outflow from financing activities	(1,721)	(1,541)	(1,876)	(1,774)
Increase in cash and cash equivalents	657	1,306	2,315	1,334
Opening cash and cash equivalents/(bank overdraft)	17,390	16,125	943	(391)
Exchange differences on cash and cash equivalents	45	(41)	-	-

Closing cash and cash equivalents	18,092	17,390	3,258	943
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The financial information set out above does not constitute the Company's statutory accounts for the periods ended 30th April, 2022 or 30th April, 2021 but is derived from those accounts. Statutory accounts for 2021 have been delivered to the Registrar of Companies and those for 2022 will be delivered following the Company's Annual General Meeting. The auditors have reported on those accounts; their reports were unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

1. Segment information

The following table presents revenue and profit and certain assets and liability information regarding the Group's divisions for the years ended 30th April, 2022 and 30th April, 2021. The reporting format is determined by the differences in manufacture and services provided by the Group. The 'Defence' division is engaged in the design, manufacture, and service of defence equipment. The 'Forgings' division is engaged in the manufacture of forgings. The 'Petrol Station Superstructures' division is engaged in the design, manufacture, construction, branding, maintenance, and restyling of petrol station superstructures. The 'Corporate Branding' division is engaged in the design, manufacture, installation, and service of corporate brandings.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Group financing (including finance costs and finance revenue) and income taxes are managed on a group basis and are therefore not allocated to operating segments.

	'Defence'		'Forgings'		'Petrol Station Superstructures'		'Corporate Branding'		Total	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Segmental revenue										
Total revenue	30,219	27,078	16,482	9,970	15,143	11,774	13,009	12,972	74,853	61,794
Revenue from other segments	-	-	-	-	(245)	(145)	(84)	(110)	(329)	(255)
Revenue from external customers	30,219	27,078	16,482	9,970	14,898	11,629	12,925	12,862	74,524	61,539
Segment result										
Operating profit	4,123	2,570	2,245	425	1,074	448	(1,255)	(1,657)	6,187	1,786
Share of net profit of joint venture									-	28
Net finance costs									(220)	(222)
Profit before taxation									5,967	1,592
Taxation									(1,035)	(415)
Profit for the year									4,932	1,177
Segmental assets										
Assets attributable to segments	33,393	35,414	7,883	4,066	9,380	8,492	8,050	8,468	58,706	56,440
Unallocated assets*									21,885	17,952
Total assets									80,591	74,392
Segmental liabilities										
Liabilities attributable to segments	23,643	24,795	3,547	2,445	3,109	2,970	3,591	3,510	33,890	33,720
Unallocated liabilities*									8,126	9,636
Total liabilities									42,016	43,356
Other segmental information										
Capital expenditure	1,933	440	389	24	195	131	186	186	2,703	781
Depreciation	210	176	561	545	714	377	261	263	1,746	1,361
Amortisation	10	-	-	-	43	55	174	182	227	237
Impairment	-	-	-	-	-	-	349	348	349	348

* Unallocated assets include certain fixed assets (including all UK properties), current assets and deferred income tax assets. Unallocated liabilities include the defined pension benefit scheme liability, the deferred income tax liability, and certain current liabilities.

Assets and liabilities attributable to segments comprise the assets and liabilities of each segment adjusted to reflect the elimination of the cost of investment in subsidiaries and the provision of financing loans provided by MS INTERNATIONAL plc.

Revenue between segments is determined on an arm's length basis. Segment results, assets, and liabilities include items directly attributable to the segment as well as those that can be allocated on a reasonable basis.

Geographical analysis

The following table presents revenue and expenditure and certain assets and liabilities information by geographical segment for the years ended 30th April, 2022 and 30th April, 2021. The Group's geographical segments are based on the location of the Group's assets.

	United Kingdom		Europe		USA		South America		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External revenue by origin	41,665	41,191	11,599	12,987	18,917	5,934	2,343	1,427	74,524	61,539
Non-current assets	20,160	17,373	4,327	3,706	5,913	3,751	87	13	30,487	24,843
Current assets	37,235	39,457	6,147	6,899	6,024	2,306	698	887	50,104	49,549
Liabilities	28,380	32,516	4,112	3,729	9,223	7,081	301	30	42,016	43,356
Capital expenditure	2,377	644	133	137	193	-	-	-	2,703	781

Revenue disaggregated by destination is shown as follows:

	2022		2021	
	£'000	%	£'000	%
United Kingdom	31,287	42%	22,259	36%
Europe	17,103	23%	26,574	43%
USA	19,406	26%	5,934	10%
South America	2,421	3%	1,427	2%
Rest of World	4,307	6%	5,345	9%
Total revenue	74,524	100%	61,539	100%

The Group's largest customer, which is reported in the 'Defence' division, contributed 14.2% to the Group's revenue (2021: 14.9% in the 'Defence' division from a different customer). Only one other customer, also in the 'Defence' division, contributed more than 10% to the Group's revenue with a contribution of 11.4% (2021: 11.3% in the 'Defence' division).

2. Other operating income

	2022	2021
	£'000	£'000
Settlement of contractual dispute	1,185	-
	1,185	-

During the year, the Group settled a protracted contractual dispute, the terms of which are confidential. The amount received has been recognised in other income. The Group has incurred £0.6m of legal costs in the current year in relation to this matter. These costs are included in administrative expenses.

2. Employee information

The average number of employees, including executive directors, during the year was as follows:

	Group		Company	
	2022	2021	2022	2021
	Number	Number	Number	Number
Production	252	243	74	73
Technical	71	72	23	24
Distribution	26	32	2	5
Administration	98	96	39	32
	447	443	138	134

(a) Staff costs

Including executive directors, employment costs were as follows:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Wages and salaries	18,942	17,420	7,139	6,123
Covid-19 job retention scheme income	(1,636)	(1,690)	-	(313)
Social security costs	3,233	3,263	722	647
Pension costs	570	557	352	344
Share options expense	29	29	29	29
	21,138	19,579	8,242	6,830

The Covid-19 job retention scheme income has been received in the following countries:

	2022 £'000	2021 £'000
UK	-	313
The Netherlands	1,310	1,113
USA	251	254
Poland	75	10
	1,636	1,690

(b) Directors' emoluments

	2022 £'000	2021 £'000
Aggregate directors' emoluments	1,810	1,570
Pension contributions	52	42
	1,862	1,612

3. (a) Taxation

The charge for taxation comprises:

	2022 £'000	2021 £'000
Current tax		
United Kingdom corporation tax	667	410
Adjustments in respect of previous years	(10)	25
Foreign corporation tax	120	30
Group current tax expense	777	465
Deferred tax		
Origination and reversal of temporary differences	261	(40)
Adjustments in respect of previous years	(5)	(10)
Adjustments in respect of difference in applicable tax rate	2	-
Group deferred tax expense/(credit)	258	(50)
Total tax expense on profit	1,035	415

Tax relating to items charged to other comprehensive income:

	2022 £'000	2021 £'000
Deferred tax charged through other comprehensive income		
Deferred tax on measurement gains on pension scheme current year	(145)	(230)

Deferred tax on revaluation surplus on land and buildings	(798)	-
Deferred tax in the Consolidated statement of comprehensive income	(943)	(230)

(b) Factors affecting the tax charge for the year

The tax charge assessed for the year is lower than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before tax	5,967	1,592
Profit multiplied by standard rate of corporation tax of 19% (2021 - 19%)	1,134	302
Effects of:		
Expenses not deductible for tax purposes	(247)	(164)
Adjustments in respect of overseas tax rates	161	262
Current tax adjustment in respect of previous years	(10)	25
Deferred tax adjustment in respect of previous years	(5)	(10)
Deferred tax adjustment in respect of different applicable rates	2	-
Total taxation expense for the year	1,035	415

(c) Factors affecting future tax charge

The rate of corporation tax in the UK will remain at 19% until April 2023 when it will increase to 25%. As the changes have been enacted as at 30th April, 2022, deferred income tax has been provided at 25% or a blended rate depending upon when the underlying temporary timing differences are expected to unwind.

Deferred tax in relation to intangibles recognised on the acquisition of 'MSI-Sign Group B.V.' has been provided at 25.8%, being the main corporation tax rate in The Netherlands.

4. Earnings per share

The calculation of basic earnings per share of 30.9p (2021 - 7.2p) is based on the profit for the year attributable to equity holders of the parent of £4,932,000 (2021 - £1,177,000) and on a weighted average number of ordinary shares in issue of 15,949,691 (2021 - 16,342,816). At 30th April, 2022 there were 1,055,000 (2021 - 380,000) dilutive shares on option with a weighted average effect of 716,575 (2021 - 391,667) giving a diluted earnings per share of 29.6p (2021 - 7.0p).

	2022	2021
Number of ordinary shares in issue at start of the year	17,841,073	18,396,073
Cancellation of ordinary shares during the year	-	(555,000)
Number of ordinary shares in issue at the end of the year	17,841,073	17,841,073
Weighted average number of shares in issue	17,841,073	18,234,198
Less weighted average number of shares held in the ESOT	(245,048)	(245,048)
Less weighted average number of shares purchased by the Company	(1,646,334)	(1,646,334)
Weighted average number of shares to be used in basic EPS calculation	15,949,691	16,342,816
Weighted average number of the 1,055,000 (2021 - 380,000) dilutive shares	716,575	391,667
Weighted average diluted shares	16,666,266	16,734,483
Profit for the year attributable to equity holders to the parent in £	4,932,000	1,177,000
Basic earnings per share	30.9p	7.2p
Diluted earnings per share	29.6p	7.0p

5. Dividends paid and proposed

	2022 £'000	2021 £'000
Declared and paid during the year		
Final dividend for 2021: 6.50p (2020 - 1.75p)	1,037	289
Interim dividend for 2022: 1.75p (2021 - 1.75p)	279	289
	1,316	578
Proposed for approval by shareholders at the AGM		
Final dividend for 2022: 7.5p (2021- 6.5p)	1,196	1,037

6. Trade and other receivables

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade receivables (net of allowance for expected credit losses)	10,167	8,764	2,366	2,184
Amounts owed by subsidiary undertakings	-	-	13,024	13,872
Amounts owed by joint venture	228	130	-	-
Other receivables	1,001	475	4	79
	11,396	9,369	15,394	16,135

(a) Trade receivables

Trade receivables are denominated in the following currencies:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Sterling	5,554	6,112	1,576	1,675
Euro	1,786	1,692	790	509
US dollar	2,406	695	-	-
Other currencies	421	265	-	-
	10,167	8,764	2,366	2,184

Trade receivables are non-interest bearing, generally have 30 day terms, and are shown net of provision for expected credit losses. The aged analysis of trade receivables after provision for expected credit losses is as follows:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Not past due	7,234	7,268	2,316	2,033
< 30 days	2,062	1,381	24	122
30-60 days	64	102	19	28
60-90 days	11	28	8	-
> 90 days	796	(15)	(1)	1
Total	10,167	8,764	2,366	2,184

In the Group, trade receivables with a nominal value of £52,000 (2021 - £43,000) were impaired and fully provided as at 30th April, 2022. During the year, bad debts of £20,000 (2021 - £81,000) were recovered and bad debts of £29,000 (2021 - £16,000) were incurred.

In the Company, trade receivables with a nominal value of £33,000 (2021 - £11,000) were impaired and fully provided as at 30th April, 2022. During the year, bad debts of £7,000 (2021 - £69,000) were recovered and bad debts of £29,000 (2021 - £7,000) were incurred.

(b) Amounts owed by joint venture

Amounts owed by joint venture are non-interest bearing and have 30 day terms. The aged analysis of amounts owed by joint venture net of provision for expected credit losses as follows:

	Group	
	2022	2021
	£'000	£'000
Not past due	135	50
< 30 days	47	33
30-60 days	34	41
60-90 days	12	6
Total	228	130

At 30th April, 2022 there was no provision for expected credit losses relating to amounts owed by joint venture (2021 - nil).

(c) Intercompany receivables

All amounts due from Group companies are repayable on demand and are not charged interest. The majority of intercompany balances are to group entities with liquid assets and are capable of being repaid on demand. There has been no impairment recognised on intercompany receivables (2021 - nil).

There are loans to 'MS INTERNATIONAL Estates Limited', which although repayable on demand, are supported by properties, which will not be immediately realisable. The directors have assessed the likelihood of default and the loss in the event of default as well as the balance at the reporting date and conclude that there is no material impairment of the receivable.

The amounts receivable at the reporting date can be categorised as:

	Company	
	2022	2021
	£'000	£'000
Amounts due from companies backed by liquid assets	7,099	7,587
Amounts due from 'MS INTERNATIONAL Estates Limited'	5,925	6,285
Total	13,024	13,872

7. Cash and cash equivalents

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Cash at bank and in hand	18,092	17,390	3,258	943
Restricted cash held in Escrow - maturing in more than 90 days	1,158	6,165	-	-
Total cash	19,250	23,555	3,258	943

The balance held in Escrow provides security to Lloyds Bank plc in respect of any guarantees, indemnities, and performance bonds given by the Group in the ordinary course of business.

8. Net funds

Analysis of net funds

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Cash and cash equivalents	18,092	17,390	3,258	943
Restricted cash held in Escrow	1,158	6,165	-	-

Lease liabilities	(1,511)	(545)	(5,214)	(5,609)
	17,739	23,010	(1,956)	(4,666)

Group movement in net funds

	Cash and cash equivalent	Restricted cash held in Escrow	Lease liabilities	Total
At 30th April, 2020	16,125	-	(1,229)	14,896
Cash flows	1,306	6,165	327	7,798
Foreign exchange adjustments	(41)	-	(16)	(57)
Leases on acquisition	-	-	402	402
Other changes	-	-	(29)	(29)
At 30th April, 2021	17,390	6,165	(545)	23,010
Cash flows	657	(5,007)	405	(3,945)
Foreign exchange adjustments	45	-	7	52
New leases	-	-	(1,327)	(1,327)
Other changes	-	-	(51)	(51)
At 30th April, 2022	18,092	1,158	(1,511)	17,739

Company movement in net funds

	Cash and cash equivalents	Lease liabilities	Total
At 30th April, 2020	(391)	(5,992)	(6,383)
Cash flows	1,334	560	1,894
Other changes	-	(177)	(177)
At 30th April, 2021	943	(5,609)	(4,666)
Cash flows	2,315	560	2,875
Other changes	-	(165)	(165)
At 30th April, 2022	3,258	(5,214)	(1,956)

9. Reserves

Share capital

The balance classified as share capital includes the nominal value on issue of the Company's equity share capital, comprising 10p ordinary shares.

Capital redemption reserve

The balance classified as capital redemption reserve represents the nominal value of issued share capital of the Company, repurchased.

Other reserves

Following the transfer of assets held at valuation by the Company to a subsidiary company, a reserve has been created which is non-distributable. This is equal to the revaluation reserve previously arising.

Additionally, it includes the non-distributable retained reserve for the revaluation reserve previously showing in the Company for properties now transferred to other members of the Group.

Revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to an increase on the same assets previously recognised in equity.

Special reserve

The special reserve is a distributable reserve created following the cancellation of a share premium account by way of court order in March 1993.

Currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Treasury shares

The treasury share reserve is detailed as follows:

	2022 £'000	2021 £'000
Employee Share Ownership Trust	100	100
Shares in treasury (see below)	2,689	2,959
	2,789	3,059

The Employee Share Ownership Trust (“ESOT”) provides for the issue of options over ordinary shares in the Company to Group employees, including executive directors, at the discretion of the Remuneration Committee. The trustee of the ESOT is Appleby Trust (Jersey) Ltd, an independent company registered in Jersey.

The trust has purchased an aggregate 245,048 (2021 - 245,048) ordinary shares, which represents 1.5% (2021 - 1.5%) of the issued share capital of the Company at an aggregate cost of £100,006. The market value of the shares at 30th April, 2022 was £728,000 (2021 - £380,000). The Company has not made any payments (2021 - nil) into the ESOT bank accounts during the year. Details of the outstanding share options for directors are included in the Directors’ remuneration report.

The assets, liabilities, income, and costs of the ESOT have been incorporated into the Company’s financial statements. Total ESOT costs charged to the income statement in the year amounts to £1,000 (2021 - £3,000). During the year, no options have been granted over shares (2021 - nil), no options on shares were exercised (2021 - nil) and no shares were purchased (2021 – nil).

The Company made the following purchases and cancellations of its own 10p ordinary shares to be held in Treasury:

	Number	£'000
Purchase of 1,000,000 shares from the Group's pension scheme on 11th December, 2013	1,000,000	1,722
Purchase of 646,334 shares on 30th January, 2014	646,334	1,237
Purchase of 555,000 shares on 15th January, 2021	555,000	636
Consideration paid for purchase of own shares	2,201,334	3,595
Cancellation of 555,000 shares at weighted average rate	(555,000)	(906)
Net value of treasury shares	1,646,334	2,689