Registered number: 11377708

BF1 SOLUTIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2026

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BF1 SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	J Archer A D Robson J R Shingleton J C Welham
Registered number	11377708
Registered office	The Technical Centre Owen Road Diss Norfolk IP22 4ER
Independent auditors	Larking Gowen LLP Chartered Accountants & Statutory Auditors Prospect House Rouen Road Norwich NR1 1R1

BF1 SOLUTIONS LIMITED

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2026

The directors present their Strategic Report for the year ended 31 January 2026.

Business review and future outlook

BF1 Solutions Limited is a non-trading holding company. Its wholly owned subsidiary, bf1systems Limited, founded in 1994, is a market-leading provider of electrical, electronic, and composite solutions. Originally focused on motorsport and automotive sectors, bf1systems has expanded its capabilities to serve demanding applications in other harsh environments, including military and general industrial markets.

bf1systems develops and supplies high-performance components that are engineered to withstand extreme conditions such as high vibration and extreme temperatures. These robust solutions are featured on World Championship winning vehicles across top-tier motorsport disciplines including Formula 1, IndyCar, World Rally, and Le Mans, and are increasingly being adopted in defence platforms and industrial systems where reliability and precision are critical.

bf1systems products are trusted by leading manufacturers and operators worldwide, not only in motorsport and luxury automotive, but also in sectors where mission critical performance is essential.

During the year bf1systems Limited had three trading subsidiary companies, BF Systems Manufacturing SRL, KA Sensors Ltd and VPG Sim Ltd.

BF Systems Manufacturing SRL was established in September 2017, and is based in Deva, Romania, specialising in the design and manufacturing of wiring harnesses. The company was sold on 30 April 2026. KA Sensors Ltd was acquired in 2021. KA Sensors Ltd is a specialist sensor manufacturing company based in Grantham, Lincolnshire, providing a wide range of sensors to the motorsport industry. The trade and assets of KA Sensors Ltd was hived-up to bf1systems limited on 31 January 2026, reflecting the successful integration of the KA Sensors business and products into bf1systems. bf1systems continues to maintain the Grantham production site. In April 2024, the Company purchased 75% of the share capital of VPG Sim Ltd. VPG Sim produce professional gaming steering wheels.

The results for the year ended 31 January 2026 show that the Group turnover fell slightly to £19,823,566 from £20,969,027). Gross profit margins improved from 39.7% to 42.5% Operating profits increased to £2,775,143 compared to £2,718,677 in 2025. This improvement in gross and operating profit is a reflection of the focus on improving the overall profitability of the business and an improvement in the operating profitability of the business it delivers.

Overall, the future focus of the group remains unchanged, to increase market share in core markets whilst developing a portfolio of complementary products to satisfy customer needs. This clear strategic direction is expected to provide solid opportunities for growth in the short to medium term.

ISO 14001:2015 Environmental Management Certification

The Group's three sites have been certified against the ISO 14001:2015 Environmental Management standard.

Beyond Net-Zero Company Certification

The Group has been certified as a Net-Zero Company since 2020, having gone a further step in 2021 to become a Beyond Net-Zero Company. To achieve this certification, an annual carbon footprint assessment for the Group must be completed. As part of this assessment, we commit to projects to reduce our carbon footprint year on year with a targeted 58% reduction from our baseline by 2030. To continue with our Beyond Net-Zero Company certification we will offset 150% of these emissions by supporting two gold standard carbon offset projects as defined by the United Nations and the Kyoto Protocol.

FIA Sustainability Accreditation

The Group maintained its a 3-star rating in the newly created FIA Sustainability Accreditation programme, this is the highest level of accreditation available. This programme is aimed at helping motor sport and mobility stakeholders worldwide to measure and enhance their environmental performance. By introducing clear and consistent environmental management into motor sport and mobility, it provides stakeholders with a three-level framework against which to accredit their activities. This achievement further exemplifies the Group's commitment to sustainable activities.

Key performance indicators

The Group uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial and the most significant of these are the key performance indicators (KPIs).

The financial KPIs for the business are turnover, gross profit margin, operating profit margin and net profit margin. The KPIs for the period ended 31 January 2026 are as follows:

	2026	**2025**
Turnover (£)	19,823,566	20,969,027
Gross profit margin (%)	42.5	39.7
Operating profit margin (%)	14.0	13.0
Net profit margin (%)	14.0	12.7

Carbon emissions are a key non-financial KPI. The Group's carbon intensity ratios calculated on key parameters are as follows:

	2026	**2025**
Carbon Intensity Ratio: Floor Area (kgCO2e per sq.ft)	0.79	1.14
Carbon Intensity Ratio: Employees (tCO2e per employee)	1.38	1.53
Carbon Intensity Ratio: Revenue (tCO2e per £m)	12.65	13.20

During the reporting period, four primary factors contributed to the reductions in our carbon intensity ratios:

- Electricity decarbonisation drove year-on-year improvement – the switch to 100% renewable tariffs in Diss (from Oct 2024) and higher renewable mix in Romania reduced electricity emissions compared to the prior, year despite increased consumption:
- Scope 1 & 2 efficiency improved overall – combined direct and energy emissions reduced on a like-for-like basis, improving operational intensity ratios year-on-year:
- Expanded floor area improved space efficiency – increased operational footprint (notably Romania) reduced kgCO2e per sq.ft through better utilisation: and
- Minor efficiency gains in specific activities – reductions seen in areas such as water use and rail travel emissions contributed marginally to improved intensity performance

We conduct a comprehensive annual review of all contributors to our carbon footprint. Where reasonably practicable, we implement targeted reduction strategies to mitigate environmental impact and support our broader sustainability objectives.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2026

Principal risks and uncertainties

Due to the nature of the markets in which the Group operates, products are subject to technological advances and, as a result, obsolescence. The Group is committed to continuing to invest in research and development and are confident that they are well placed to react effectively to future developments within the market.

The markets in which the Group operates are highly competitive. Constant price monitoring and on-going market analysis are in place to mitigate this risk.

The Group's operations expose it to financial risks that include price risk, credit risk, liquidity risk and interest rate risk. Given the size of the group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Group's finance department.

Price risk

The Group is exposed to price risk through competitor activities. These activities are monitored and it is Group policy that appropriate remedial actions are taken, when deemed appropriate.

Credit risk

Reports are reviewed on a frequent basis detailing customers who have exceeded their credit limits or who are late in remitting payments.

Liquidity risk

The Group maintains a mixture of cash deposits and intercompany trading balances that are designed to ensure the Group has sufficient available funds for operations. The Company and Group carefully manages liquidity.

Interest rate risk

The Group receives interest on its cash deposits at a variable rate. The deposits are not considered significant enough to warrant hedging. The directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

Research and development activities

During the year, the Group continued to conduct research and development activities, mainly relating to bespoke engineering applications for the motor racing and automotive industries.

This report was approved by the board and signed on its behalf.

James Welham

J C Welham
Director
Date: 04 Jun 2026

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2026

The directors present their report and the financial statements for the year ended 31 January 2026.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

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

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

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £2,079,487 *(2025 - £2,413,968)*.

Dividends were paid during the year of £30,248 *(2025: £90,087)*.

Directors

The directors who served during the year were:

J Archer
A D Robson
J R Shingleton
T J Statham (resigned 27 June 2025)
J C Welham

Qualifying third-party indemnity provisions

During the year the Group maintained liability insurance for its directors and officers. This provision, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006, was in force throughout the year and is currently in force. Neither the Group's indemnity nor insurance provides cover in the event that a director or officer is proved to have acted fraudulently or dishonestly.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2026

Matters covered in the Group Strategic Report

Information in respect of the business review and outlook, key performance indicators, future developments and principal risks and uncertainties can be found in the strategic report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

In April 2026 the subsidiary undertaking in Romania was sold for a nominal sum. This created a loss on disposal for the Group of c£600k being the approximate book value of that entity's net assets. There are no other significant post balance sheet events.

Auditors

The auditors, Larking Gowen LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

James Welham

J C Welham
Director
Date:

04 Jun 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BF1 SOLUTIONS LIMITED

Opinion

We have audited the financial statements of BF1 Solutions Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2026, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Analysis of Net Debt, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 January 2026 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Due to the field in which the Group operates, we identified the areas most likely to have a material impact on the financial statements as compliance with UK tax legislation, UK accounting standards and compliance with the UK Companies Act. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the Group's ability to operate, including, health and safety, employment law, and compliance with various other regulation relevant to the conduct of the Group's operations. Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, potential litigation or claims and fraud;
- Reviewing legal fees to confirm matters where the Group engaged lawyers during the year;
- Reviewing financial statement disclosures and tax matters, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly around year end stock values;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BF1 SOLUTIONS LIMITED (CONTINUED)

Use of our report

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

Anders Rasmussen

Anders Rasmussen (Senior Statutory Auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

Norwich
Date: 04 Jun 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2026

	Note	2026 £	2025 £
Turnover	4	**19,823,566**	*20,969,027*
Cost of sales		**(11,391,660)**	*(12,651,618)*
Gross profit		**8,431,906**	*8,317,409*
Administrative expenses		**(5,656,763)**	*(5,598,732)*
Operating profit	5	**2,775,143**	*2,718,677*
Interest receivable and similar income		**27,315**	*17,860*
Interest payable and similar expenses	9	**(39,664)**	*(76,198)*
Profit before taxation		**2,762,794**	*2,660,339*
Tax on profit	10	**(700,427)**	*(271,844)*
Profit for the financial year		**2,062,367**	*2,388,495*
Currency translation differences		**-**	*(2,041)*
Other comprehensive income for the year		**-**	*(2,041)*
Total comprehensive income for the year		**2,062,367**	*2,386,454*
Profit for the year attributable to:			
Non-controlling interests		**(17,120)**	*(25,473)*
Owners of the Parent Company		**2,079,487**	*2,413,968*
		2,062,367	*2,388,495*

There were no recognised gains and losses for 2026 or 2025 other than those included in the consolidated statement of comprehensive income.

The notes on pages 20 to 41 form part of these financial statements.

BF1 SOLUTIONS LIMITED
REGISTERED NUMBER: 11377708

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2026

	Note		2026 £		*2025 £*
Fixed assets					
Intangible assets	12		**134,268**		*223,606*
Tangible assets	13		**1,124,946**		*1,226,394*
			1,259,214		*1,450,000*
Current assets					
Stocks	15	**2,421,716**		*3,166,011*	
Debtors: amounts falling due within one year	16	**4,052,714**		*3,551,535*	
Cash at bank and in hand	17	**3,894,738**		*2,009,206*	
		10,369,168		*8,726,752*	
Creditors: amounts falling due within one year	18	**(3,417,208)**		*(3,937,297)*	
Net current assets			**6,951,960**		*4,789,455*
Total assets less current liabilities			**8,211,174**		*6,239,455*
Creditors: amounts falling due after more than one year	19		**(509,304)**		*(537,444)*
Provisions for liabilities					
Deferred taxation	22	**(73,312)**		*(70,066)*	
Other provisions	23	**-**		*(44,598)*	
			(73,312)		*(114,664)*
Net assets			**7,628,558**		*5,587,347*
Capital and reserves					
Called up share capital	24		**539**		*539*
Share premium account	25		**44,498**		*44,498*
Capital redemption reserve	25		**169**		*169*
Other reserves	25		**(323,655)**		*(332,747)*
Merger reserve	25		**1,999,171**		*1,999,171*
Profit and loss account	25		**5,937,603**		*3,888,364*
Non-controlling interests			**(29,767)**		*(12,647)*
			7,628,558		*5,587,347*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JANUARY 2026

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

James Welham

J C Welham
Director

Date: 04 Jun 2026

The notes on pages 20 to 41 form part of these financial statements.

BF1 SOLUTIONS LIMITED
REGISTERED NUMBER: 11377708

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2026

	Note		2026 £		*2025 £*
Fixed assets					
Investments	14		**2,899,413**		*2,899,413*
			2,899,413		*2,899,413*
Creditors: amounts falling due within one year	18	**(1,102,485)**		*(1,111,577)*	
Net current liabilities			**(1,102,485)**		*(1,111,577)*
Total assets less current liabilities			**1,796,928**		*1,787,836*
Net assets			**1,796,928**		*1,787,836*
Capital and reserves					
Called up share capital	24		**539**		*539*
Share premium account	25		**44,498**		*44,498*
Capital redemption reserve	25		**169**		*169*
Other reserves	25		**(323,655)**		*(332,747)*
Merger reserve	25		**1,999,171**		*1,999,171*
Profit and loss account brought forward		**76,206**		*166,201*	
Profit for the year		**30,248**		*888,761*	
Other changes in the profit and loss account		**(30,248)**		*(978,756)*	
Profit and loss account carried forward			**76,206**		*76,206*
			1,796,928		*1,787,836*

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

James Welham

J C Welham
Director

Date: 04 Jun 2026

The notes on pages 20 to 41 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2026

	Called up share capital	Share premium account	Capital redemption reserve	Other reserves	Merger reserve	Profit and loss account	Non-controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 February 2025	539	44,498	169	(332,747)	1,999,171	3,888,364	(12,647)	5,587,347
Profit/(loss) for the year	-	-	-	-	-	2,079,487	(17,120)	2,062,367
Compound instrument: increase	-	-	-	(21,156)	-	-	-	(21,156)
Dividends: Equity capital	-	-	-	-	-	(30,248)	-	(30,248)
Compound instrument: liability repayment	-	-	-	30,248	-	-	-	30,248
At 31 January 2026	539	44,498	169	(323,655)	1,999,171	5,937,603	(29,767)	7,628,558

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2025

	Called up share capital	Share premium account	Capital redemption reserve	Other reserves	Merger reserve	Profit and loss account	Equity attributable to owners of Parent Company	Non-controlling interests	Total equity
	£	£	£	£	£	£	£	£	£
At 1 February 2024	607	44,498	101	(411,595)	1,999,171	2,455,193	4,087,975	-	4,087,975
Profit/(loss) for the year	-	-	-	-	-	2,413,968	2,413,968	(25,473)	2,388,495
Currency translation differences	-	-	-	-	-	(2,041)	(2,041)	-	(2,041)
Dividends: Equity capital	-	-	-	-	-	(90,087)	(90,087)	-	(90,087)
Share transactions	-	-	68	-	-	(899,908)	(899,840)	-	(899,840)
Compound instrument: finance charge	-	-	-	(11,239)	-	11,239	-	-	-
Compound instrument: liability repayment	-	-	-	90,087	-	-	90,087	-	90,087
Share transactions	(68)	-	-	-	-	-	(68)	-	(68)
Non-controlling interest on acquisition	-	-	-	-	-	-	-	12,826	12,826
At 31 January 2025	539	44,498	169	(332,747)	1,999,171	3,888,364	5,599,994	(12,647)	5,587,347

The notes on pages 20 to 41 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2026

	Called up share capital	Share premium account	Capital redemption reserve	Other reserves	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£	£	£
At 1 February 2024	**607**	**44,498**	**101**	**(411,595)**	**1,999,171**	**166,201**	**1,798,983**
Profit for the year	-	-	-	-	-	888,761	888,761
Dividends: Equity capital	-	-	-	-	-	(90,087)	(90,087)
Share transactions	-	-	68	-	-	(899,908)	(899,840)
Compound instrument: finance charge	-	-	-	(11,239)	-	11,239	-
Compound instrument: liability repayment	-	-	-	90,087	-	-	90,087
Share transactions	(68)	-	-	-	-	-	(68)
At 1 February 2025	**539**	**44,498**	**169**	**(332,747)**	**1,999,171**	**76,206**	**1,787,836**
Profit for the year	-	-	-	-	-	30,248	30,248
Compound instrument: increase	-	-	-	(21,156)	-	-	(21,156)
Dividends: Equity capital	-	-	-	-	-	(30,248)	(30,248)
Compound instrument: liability repayment	-	-	-	30,248	-	-	30,248
At 31 January 2026	**539**	**44,498**	**169**	**(323,655)**	**1,999,171**	**76,206**	**1,796,928**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2026

	2026 £	*2025* *£*
Cash flows from operating activities		
Profit for the financial year	**2,062,367**	*2,388,495*
Adjustments for:		
Amortisation of intangible assets	**157,026**	*133,642*
Depreciation of tangible assets	**223,220**	*254,874*
(Profit)/loss on disposal of tangible assets	**(16,910)**	*21,338*
Interest paid	**39,664**	*76,198*
Interest received	**(27,315)**	*(17,860)*
Taxation charge	**700,427**	*271,844*
Decrease/(increase) in stocks	**744,295**	*(52,405)*
(Increase)/decrease in debtors	**(501,179)**	*245,783*
Decrease in creditors	**(823,221)**	*(882,673)*
(Decrease)/increase in provisions	**(44,598)**	*44,598*
Corporation tax paid	**(190,000)**	*(522,204)*
Net cash generated from operating activities	**2,323,776**	*1,961,630*
Cash flows from investing activities		
Purchase of intangible fixed assets	**(67,688)**	*(83,194)*
Purchase of tangible fixed assets	**(145,330)**	*(126,426)*
Sale of tangible fixed assets	**42,499**	*11,478*
Interest received	**27,315**	*17,860*
HP interest paid	**(14,563)**	*(3,769)*
Cash outflow from acquisition	**-**	*(64,286)*
Net cash from investing activities	**(157,767)**	*(248,337)*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2026

	2026 £	*2025* *£*
Cash flows from financing activities		
Share transactions	**-**	*(899,908)*
Repayment of loans	**(215,325)**	*(423,204)*
Repayment of finance leases	**(29,279)**	*(38,129)*
Movements on invoice discounting	**-**	*(1,625)*
Dividends paid	**(30,248)**	*(90,087)*
Interest paid	**(3,594)**	*(72,429)*
Net cash used in financing activities	**(278,446)**	*(1,525,382)*
Net increase in cash and cash equivalents	**1,887,563**	*187,911*
Cash and cash equivalents at beginning of year	**2,009,206**	*1,819,893*
Foreign exchange gains and losses	**(2,031)**	*1,402*
Cash and cash equivalents at the end of year	**3,894,738**	*2,009,206*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**3,894,738**	*2,009,206*
	3,894,738	*2,009,206*

The notes on pages 20 to 41 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 JANUARY 2026

	At 1 February 2025 £	Cash flows £	Other non-cash changes £	At 31 January 2026 £
Cash at bank and in hand	2,009,206	1,885,646	-	3,894,852
Debt due after 1 year	(537,444)	-	28,140	(509,304)
Debt due within 1 year	(192,021)	215,325	(49,647)	(26,343)
Finance leases	(29,279)	43,842	(14,563)	-
	1,250,462	2,144,813	(36,070)	3,359,205

The notes on pages 20 to 41 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2026

1. General information

BF1 Solutions Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at The Technical Centre, Owen Road, Diss, Norfolk, United Kingdom, IP22 4ER.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The directors have considered the Company's and Group's position at the time of signing the financial statements. Detailed forecasts have been prepared, based on relatively cautious sales expectations, which show that the Group is profitable and has sufficient cash headroom.

The directors have concluded that the Company and Group will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of approval of these financial statements. They therefore continue to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.8 Research and development

Research and development expenditure is written off in the year in which it is incurred.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.14 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 5 years.

Software

Software is initially recognised at cost. After recognition, under the cost model, software is measured at cost less any accumulated amortisation and any accumulated impairment losses.

is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 4 years.

2. Accounting policies (continued)

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant and machinery	- 5% - 25% straight line
Motor vehicles	- 25% straight line
Office equipment	- 33% straight line
Computer equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.16 *Valuation of investments*

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.18 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.20 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.22 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

2. Accounting policies (continued)

2.22 Financial instruments (continued)

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic financial liabilities

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

Basic financial liabilities, which include trade and other creditors, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

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

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

Compound instruments comprise both a liability and an equity component. The liability component is measured using the estimated market interest rate for a similar debt instrument and is accounted for as a financial instrument.

2.23 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounts estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, of in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:

Amortisation of goodwill
Accounting for goodwill involves the use of estimates and judgements for determining the useful life over which this is to be amortised and the existence and amount of any impairment.

Goodwill is amortised in equal installments over its estimated useful economic life. When the Group estimates useful life, various factors are considered including expected future utilisation of the assets concerned. The directors regularly review the useful life and change it as necessary to reflect the estimated current remaining life in light of future economic utilisation of the asset concerned. A significant change in asset life can have a significant change on amortisation charge for the period.

Stock provision
Management considers whether it is necessary to review the recoverability of stock and the associated provision required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated useability and saleability.

Compound instruments
As explained in notes 18 and 26, the estimate of the debt element of the A ordinary shares is dependent on an estimate of the market rate of a similar debt instrument, which is considered by the directors to be 10%, and on when an exit is likely to occur.

4. Turnover

The whole of the turnover is attributable to the principal activities of the Group.

Analysis of turnover by country of destination:

	2026 £	*2025* *£*
United Kingdom	**5,877,183**	*9,983,463*
Rest of Europe	**10,699,367**	*8,918,400*
Rest of the world	**3,247,016**	*2,067,164*
	19,823,566	*20,969,027*

5. Operating profit

The operating profit is stated after charging:

	2026 £	*2025 £*
Depreciation	**223,220**	*254,874*
Exchange differences	**(24,391)**	*107,777*
Operating lease rentals	**60,026**	*69,026*
Amortisation	**157,026**	*133,642*

6. Auditors' remuneration

	2026 £	*2025 £*
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	**6,650**	*6,400*

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2026 £	*Group 2025 £*
Wages and salaries	**5,572,098**	*5,703,282*
Social security costs	**600,704**	*475,825*
Cost of defined contribution scheme	**246,357**	*191,241*
	6,419,159	*6,370,348*

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

	2026 No.	*2025 No.*
Production	**100**	*140*
Administration	**52**	*43*
	152	*183*

The Company has no employees other than the directors, who did not receive any remuneration through the Company.

8. Directors' remuneration

	2026 £	*2025* *£*
Directors' emoluments	**401,612**	*474,599*
Group contributions to defined contribution pension schemes	**34,036**	*33,238*
	435,648	*507,837*

During the year retirement benefits were accruing to 3 directors *(2025 - 3)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £171,259 *(2025 - £183,289)*.

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £16,864 *(2025 - £13,092)*.

The directors are considered to be the key management of the Group.

9. *Interest payable and similar expenses*

	2026 £	*2025* *£*
Bank interest payable	**3,594**	*43,160*
Other interest payable	**-**	*11,239*
Mortgage interest payable	**21,507**	*18,030*
Finance leases and hire purchase contracts	**14,563**	*3,769*
	39,664	*76,198*

10. Taxation

	2026 £	*2025* *£*
Corporation tax		
Current tax on profits for the year	**646,054**	*429,999*
Adjustments in respect of previous periods	**51,127**	*(117,066)*
	697,181	*312,933*
Total current tax	**697,181**	*312,933*
Deferred tax		
Origination and reversal of timing differences	**3,246**	*(41,089)*
Total deferred tax	**3,246**	*(41,089)*
	700,427	*271,844*

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2024: lower than)* the standard rate of corporation tax in the UK of 25% *(2025 - 25%)*. The differences are explained below:

	2026 £	*2025* *£*
Profit on ordinary activities before tax	**2,762,794**	*2,660,339*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2025 - 25%)	**690,699**	*665,085*
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**11,000**	*4,197*
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**56,851**	*3,935*
Adjustments to tax charge in respect of prior periods	**51,127**	*(117,066)*
Other timing differences leading to an increase/(decrease) in taxation	**49,600**	*(8,157)*
Research and development deduction leading to a decrease in the tax charge	**(158,850)**	*(276,150)*
Total tax charge for the year	**700,427**	*271,844*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	2026 £	*2025* *£*
Dividends paid on A ordinary shares	**30,248**	*90,087*
	30,248	*90,087*

12. Intangible assets

Group

	Software £	Goodwill £	Total £
Cost			
At 1 February 2025	**389,267**	**565,240**	**954,507**
Additions	**67,688**	**-**	**67,688**
At 31 January 2026	**456,955**	**565,240**	**1,022,195**
Amortisation			
At 1 February 2025	**232,807**	**498,094**	**730,901**
Charge for the year	**113,026**	**44,000**	**157,026**
At 31 January 2026	**345,833**	**542,094**	**887,927**
Net book value			
At 31 January 2026	**111,122**	**23,146**	**134,268**
At 31 January 2025	*156,460*	*67,146*	*223,606*

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 February 2025	**1,069,343**	**1,943,339**	**9,025**	**267,277**	**97,541**	**3,386,525**
Additions	**-**	**131,049**	**8,666**	**-**	**5,615**	**145,330**
Reclassifications	**-**	**73,239**	**-**	**(56,867)**	**(16,372)**	**-**
Disposals	**-**	**(1,097,352)**	**-**	**(128,648)**	**(44,434)**	**(1,270,434)**
Exchange adjustments	**822**	**1,404**	**-**	**970**	**1,019**	**4,215**
At 31 January 2026	**1,070,165**	**1,051,679**	**17,691**	**82,732**	**43,369**	**2,265,636**
Depreciation						
At 1 February 2025	**320,212**	**1,554,425**	**7,896**	**200,473**	**77,125**	**2,160,131**
Charge for the year	**34,432**	**132,857**	**1,128**	**43,336**	**11,467**	**223,220**
Reclassifications	**-**	**68,181**	**-**	**(51,851)**	**(16,330)**	**-**
Disposals	**-**	**(1,069,006)**	**-**	**(131,410)**	**(44,429)**	**(1,244,845)**
Exchange adjustments	**560**	**684**	**-**	**653**	**287**	**2,184**
At 31 January 2026	**355,204**	**687,141**	**9,024**	**61,201**	**28,120**	**1,140,690**
Net book value						
At 31 January 2026	**714,961**	**364,538**	**8,667**	**21,531**	**15,249**	**1,124,946**
At 31 January 2025	*749,131*	*388,914*	*1,129*	*66,804*	*20,416*	*1,226,394*

The net book value of plant and machinery includes £Nil *(2025: £66,231)* under finance leases or hire purchase contracts.

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 February 2025	**2,899,413**
At 31 January 2026	**2,899,413**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
BF1 Technologies Limited	Same as company	Ordinary	100%
Bf1electronics Limited*	Same as company	Ordinary	100%
BF1 Motorsport Holdings Limited**	Same as company	Ordinary	100%
bf1systems Limited**	Same as company	Ordinary	100%
BF Systems Manufacturing***	Depozitelor Street, No.23C, Deva City, Hunedoara Country, Romania	Ordinary	100%
BF1 Systems LLC****	160 Mine Lake Court, Suite 200, Raleigh, Wake, North Carolina, United States of America	Membership interest	100%
KA Sensors Ltd****	Same as company	Ordinary	100%
bf1systems GmbH ****	Brandlfeld 16 a, 86842, Turkheim, Germany	Ordinary	100%
VPG SIM Limited ***	Same as company	Ordinary	75%

* owned by BF1 Technologies Limited
** owned by Bf1electronics Limited
*** owned by bf1systems Limited

In April 2026 the subsidiary undertaking in Romania was sold for a nominal sum. This created a loss on disposal for the Group of c£600k being the approximate book value of that entity's net assets.

15. Stocks

	Group 2026 £	*Group 2025 £*
Finished goods and parts	**2,117,441**	*3,101,616*
Work in progress (goods to be sold)	**304,275**	*64,395*
	2,421,716	*3,166,011*

The carrying value of stocks are stated net of impairment losses totalling £350,959 *(2025 - £563,421)*. An impairment credit totalling £212,462 (2025: charge of £184,579) is recognised in profit and loss.

16. Debtors

	Group 2026 £	*Group 2025 £*
Trade debtors	**3,672,570**	*3,029,953*
Other debtors	**51,034**	*232,693*
Prepayments and accrued income	**329,110**	*288,889*
	4,052,714	*3,551,535*

17. Cash and cash equivalents

	Group 2026 £	*Group 2025 £*
Cash at bank and in hand	**3,894,738**	*2,009,206*
	3,894,738	*2,009,206*

18. Creditors: Amounts falling due within one year

	Group 2026 £	*Group 2025 £*	Company 2026 £	*Company 2025 £*
Bank loans	**26,343**	*192,021*	**-**	*-*
Payments received on account	**550,393**	*619,305*	**-**	*-*
Trade creditors	**711,509**	*1,037,624*	**-**	*-*
Amounts owed to group undertakings	**-**	*-*	**778,830**	*778,830*
Corporation tax	**643,899**	*136,718*	**-**	*-*
Other taxation and social security	**68,531**	*229,856*	**-**	*-*
Obligations under finance lease and hire purchase contracts	**-**	*29,279*	**-**	*-*
Other creditors	**476,435**	*489,954*	**323,655**	*332,747*
Accruals and deferred income	**940,098**	*1,202,540*	**-**	*-*
	3,417,208	*3,937,297*	**1,102,485**	*1,111,577*

The A ordinary shares described in note 24 are entitled to non-discretionary dividends. The A ordinary shares are therefore a compound instrument consisting of both a debt and equity element. The company's obligation to make the non-discretionary dividend payment is recognised as a liability of £323,655 (2025: £332,747) within other creditors. This is the estimated future dividend obligation discounted to present value, using a rate of 10%, where material, which the directors estimate to be the market rate of a similar debt instrument.

19. Creditors: Amounts falling due after more than one year

	Group 2026 £	*Group 2025 £*
Bank loans	**509,304**	*537,444*
	509,304	*537,444*

The bank loans are secured by a legal charge over the freehold property and attract interest at 1.75% above the published base rate of National Westminster Bank Plc.

20. Loans

	Group 2026 £	*Group 2025 £*
Amounts falling due within one year		
Bank loans	**26,343**	*192,021*
Amounts falling due 1-2 years		
Bank loans	**22,608**	*26,343*
Amounts falling due 2-5 years		
Bank loans	**75,768**	*31,900*
Amounts falling due after more than 5 years		
Bank loans	**410,928**	*479,201*
	535,647	*729,465*

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2026 £	*Group 2025 £*
Within one year	**-**	*33,816*
Interest	**-**	*(4,537)*
	-	*29,279*

22. Deferred taxation

Group

	2026 £	*2025 £*
At beginning of year	**70,066**	*111,155*
Credit to profit or loss	**3,246**	*(41,089)*
At end of year	**73,312**	*70,066*

22. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	Group 2026 £	*Group 2025 £*
Fixed asset timing differences	**80,436**	*76,513*
Other timing differences	**(7,124)**	*(6,447)*
	73,312	*70,066*

23. Provisions

Group

	Warranty provision £
At 1 February 2025	**44,598**
Charged to profit or loss	**(32,852)**
Utilised in year	**(11,746)**
At 31 January 2026	**-**

In respect of the warranty provision, best estimates have been made of the expected costs that will be incurred on products that have been sold, but are felt to have a future liability for the group.

24. Share capital

	2026	2025
	£	£
Allotted, called up and fully paid		
33,965 *(2025 - 33,965)* ordinary shares of £0.01 each	**340**	*340*
19,092 *(2025 - 19,092)* A ordinary shares of £0.01 each	**191**	*191*
354 *(2025 - 354)* B ordinary shares of £0.01 each	**4**	*4*
353 *(2025 - 353)* growth shares of £0.01 each	**4**	*4*
	539	*539*

The holders of A ordinary shares are entitled to receive in priority to the holders of the ordinary shares and B ordinary shares the Priority Dividend and Long Term Dividend (as defined in the articles). Thereafter the distribution of profits is pro rata amongst the holders of the ordinary shares, A ordinary shares and B ordinary shares. The growth shares are not entitled to distributions.

The capital rights attached to the shares on a liquidation and exit differ between class of share and are set out in the Articles of Association, article 3.2.

Ordinary shares, A ordinary shares and B ordinary shares carry voting rights. Growth shares are non-voting

All shares are non-redeemable.

As described in note 18, the A ordinary shares are a compound instrument consisting of both a debt and equity element. The debt element is recognised as a liability in other creditors.

In August 2022 the company issued options over 5,044 C ordinary shares to employees of the group. The exercise price is £1. The options can only be exercised on the sale of company, or its listing. The options lapse after 10 years, or if the individuals cease to be employees. 2,328 options lapsed in prior periods, leaving 2,716 outstanding at the beginning of the period. No options were granted or lapsed in the current year, leaving options unchanged at 2,716 at 31 January 2026. The fair value of the options at the date of grant is considered immaterial, and no accounting entries are recognised in the financial statements for the options.

25. Reserves

Share premium account

The share premium account records the amount of consideration received for shares sold, less their nominal value.

Capital redemption reserve

The nominal value of share capital purchased by the company and cancelled.

Other reserves

The company's estimated non-discretionary future dividend obligation discounted to present value.

Merger Reserve

The premium paid on business combination of subsidiary entity.

Profit and loss account

Includes all current and prior period retained profits and losses.

26. Contingent liabilities

Under the terms of the A ordinary shares, from 1 February 2025 the holder is entitled to a Long Term Dividend until the date the ordinary shares, A ordinary shares and B ordinary shares are acquired by an independent third party ("an exit"). The dividend is calculated as the higher of 10% of adjusted net profit and £240,014 per annum. The Company calculates the fair value of this liability based on the probability of an exit event occurring at various future dates, and a weighted average dividend payment thereafter calculated, discounted to present value using the estimated market value of a similar debt instrument. The probability attached to the timing of an event and resultant change to the fair value of the dividend payments is reassessed each year. At 31 January 2026, taking into account the probability and timing of an exit, the directors have assessed the fair value of this element of the instrument to be £323,655 *(2025: £302,500)* and this amount is recognised in liabilities.

27. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £238,763 (2025: £191,241). Contributions totalling £48,362 (2025: £34,030) were payable to the fund at the reporting date and are included in creditors.

The Group also pays the premium for a group life assurance scheme policy for all employees.

28. Commitments under operating leases

At 31 January 2026 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2026 £	*Group 2025 £*	**Company 2026 £**	*Company 2025 £*
Not later than 1 year	**147,285**	*60,026*	-	-
Later than 1 year and not later than 5 years	**308,870**	*253,669*	-	-
Later than 5 years	**69,185**	*116,062*	-	-
	525,340	*429,757*	-	-

29. Related party transactions

The Company has taken advantage of the exemptions available under FRS 102 not to disclose balances and transactions with other wholly owned group undertakings.

At the 31 January 2026 a 100% group subsidiary was owed £322,742 (2025: £65,500) by a subsidiary undertaking that is not wholly owned. Purchases from the subsidiary were £99,389 (2025: £16,100). Sales to the subsidiary were £196,367 (2025: £34,625).

During the year management charges of £58,109 (2025: £56,697) were charged by BGF Investments Limited, a company under common control of BGF Group LP. BGF Group LP has significant influence over the Group by way of its shareholding in BF1 Solutions Limited.

During the year the Group paid management charges of £10,159 (2025: £30,326) to Deben Management Limited, a company under the control of one of the directors.

30. Post balance sheet events

In April 2026 the subsidiary undertaking in Romania was sold for a nominal sum. This created a loss on disposal for the Group of c£600k being the approximate book value of that entity's net assets.

31. Controlling party

The Company has no single ultimate controlling party.