



Currie & Warner Limited

Registered number: 00128554

Annual Report

For the year ended 31 December 2021



CURRIE & WARNER LIMITED

COMPANY INFORMATION

Directors	Mr M I Lloyd Mrs M E Lloyd Mr T Fox
Company secretary	Mr M S Lloyd
Registered number	00128554
Registered office	Summer Hill Works Powell Street Birmingham B1 3DH
Trading address	Summer Hill Works Powell Street Birmingham B1 3DH
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 100 Queen Street Glasgow G1 3DN

CURRIE & WARNER LIMITED

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CURRIE & WARNER LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review

As the global economy reopened following the peak of the COVID-19 pandemic, both demand and raw material prices surged, resulting in a significant 45% increase in turnover. Despite record increases in brass prices, the business maintained raw margins of 46% which, combined with improved production efficiencies and the increased turnover, resulted in a welcome return to operating profitability. The growth in the business resulted in an increase in net current assets to £3.0m.

The contribution of both management and employees to the excellent results for the year during the challenging conditions following the peak of the pandemic is both recognised and appreciated.

Demand during the second half of 2022 is beginning to slow and the business is facing increases in employment costs, further rises in raw material prices and dramatic increases in energy-related costs, and overall anticipates a fall in operating profitability.

Notes to key performance indicators

Raw margin is defined as turnover less change in stocks of finished goods and work in progress, less raw materials and consumables, expressed as a percentage of turnover.

Financial risk management objectives and policies

The Company's principal financial instruments comprise balances due to its parent company and cash and short term deposits. The main purpose of these financial instruments is to finance the Company's operations. The Company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The Company does not enter into derivative transactions. It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken. The main risk arising from the Company's financial instruments is credit risk. The board reviews and agrees policy for managing this risk and this is summarised below:

Credit risk

The Company trades with only recognised, creditworthy third parties. It is the Company policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

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


Mr M S Lloyd
Secretary

Date: 14 December 2022

CURRIE & WARNER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the Company for that period.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the Company is the manufacture and sale of brass repetition turned parts. There has been no significant change in the activity during the year.

Results and dividends

The profit for the year, after taxation, amounted to £522,165 (2020 - loss £260,672).

The Directors do not recommend paying a dividend for the year (2020 - £Nil).

Directors

The Directors who served during the year were:

Mr M I Lloyd
Mrs M E Lloyd
Mr T Fox

Matters covered in the Strategic Report

Financial risk management objectives and policies and a review of the business, including future developments, have been included in the Strategic Report.

CURRIE & WARNER LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditor

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's auditor is 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's auditor is aware of that information.

Auditor

The auditor, Mazars 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.



Mr M S Lloyd
Secretary

Date: 14 December 2022

CURRIE & WARNER LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CURRIE & WARNER LIMITED

Qualified opinion

We have audited the financial statements of Currie & Warner Limited (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" section of our report, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

As explained in note 18 to the financial statements, the Company participates in a group defined benefit pension scheme. The full disclosures in relation to the group defined benefit pension scheme as required by Section 28 of FRS 102 are not provided in the financial statements. It is not practical to detail the disclosures that have been omitted.

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

Conclusions relating to going concern

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

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

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

CURRIE & WARNER LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CURRIE & WARNER LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CURRIE & WARNER LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CURRIE & WARNER LIMITED

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

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

Craig Maxwell

Craig Maxwell (Dec 14, 2022 21:53 GMT)

Craig Maxwell (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
100 Queen Street
Glasgow
G1 3DN

Date: Dec 14, 2022

CURRIE & WARNER LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	8,533,256	5,868,586
Change in stocks of finished goods and work in progress		(41,332)	115,508
Raw materials and consumables		(4,552,843)	(3,284,203)
Other external charges		(683,223)	(516,784)
Staff costs	6	(2,461,394)	(2,359,620)
Depreciation and amortisation		(182,096)	(146,793)
Operating profit/(loss)	5	612,368	(323,306)
Interest receivable and similar income	8	-	2,033
Profit/(loss) before tax		612,368	(321,273)
Tax on profit/(loss)	9	(90,203)	60,601
Profit/(loss) for the financial year		522,165	(260,672)

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 11 to 23 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	10	1,291,802	1,345,980
Current assets			
Stocks	11	3,272,965	2,670,046
Debtors	12	2,281,772	1,564,370
Cash and cash equivalents		701,306	641,656
		<u>6,256,043</u>	<u>4,876,072</u>
Creditors: amounts falling due within one year	13	(3,250,262)	(2,442,181)
Net current assets		<u>3,005,781</u>	<u>2,433,891</u>
Total assets less current liabilities		<u>4,297,583</u>	<u>3,779,871</u>
Provisions for liabilities			
Deferred tax	15	(227,511)	(231,964)
Net assets		<u><u>4,070,072</u></u>	<u><u>3,547,907</u></u>
Capital and reserves			
Called up share capital	16	32,215	32,215
Profit and loss account	17	4,037,857	3,515,692
		<u><u>4,070,072</u></u>	<u><u>3,547,907</u></u>

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



Mr M I Lloyd
Director

Date: 14 December 2022

The notes on pages 11 to 23 form part of these financial statements.

CURRIE & WARNER LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	32,215	3,776,364	3,808,579
Comprehensive income for the year			
Loss for the year	-	(260,672)	(260,672)
Total comprehensive income for the year	-	(260,672)	(260,672)
At 1 January 2021	32,215	3,515,692	3,547,907
Comprehensive income for the year			
Profit for the year	-	522,165	522,165
Total comprehensive income for the year	-	522,165	522,165
At 31 December 2021	32,215	4,037,857	4,070,072

The notes on pages 11 to 23 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Currie & Warner Limited is a limited liability company incorporated in England and Wales. The registered office address is Summer Hill Works, Powell Street, Birmingham, B1 3DH. The Company's registered number is 00128554.

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 management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows; and
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d)

This information is included in the consolidated financial statements of Currie & Warner (Holdings) Limited as at 31 December 2021 and these financial statements may be obtained from Summer Hill Works, Powell Street, Birmingham, B1 3DH.

2.3 Foreign currency translation

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 the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover 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

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company 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 Company 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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.7 Pensions

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

The contributions are recognised as an expense in the Statement of Comprehensive Income 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 Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income 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 operates and generates 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.

2.9 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, on the following basis:

Plant and machinery	- Between 5 and 15 years
Motor vehicles	- Between 3 and 5 years
Fixtures, fittings, tooling and equipment	- Between 4 and 10 years

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 the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.10 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. Work in progress and finished goods include labour and attributable overheads.

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 the Statement of Comprehensive Income.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.12 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.

2.13 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.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

In the application of the Company's accounting policies which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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 accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revisions and future periods if the revision affects both current and future periods.

In the opinion of the Directors, significant judgements and estimates include the following:

Stocks

Certain factors could affect the realisable value of the Company's stocks, including customer demand and market conditions. The Directors consider historic usage, expected demand, anticipated sales price, product obsolescence and other factors when evaluating the value of stock.

4. Turnover

The whole of turnover is attributable to the Company's principal activity.

Analysis of turnover by geographical area is as follows:

	2021 £	2020 £
United Kingdom	5,163,632	4,150,648
Rest of Europe	3,143,877	1,568,669
Rest of World	225,747	149,269
	<u>8,533,256</u>	<u>5,868,586</u>

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	182,096	146,793
Auditor's remuneration for the audit of the Company's financial statements	6,750	8,050
Differences on foreign exchange	2,227	4,340
Operating lease rentals	<u>86,000</u>	<u>86,000</u>

CURRIE & WARNER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Employees

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

	2021 £	2020 £
Wages and salaries	2,223,972	2,125,414
Social security costs	192,317	187,024
Other pension costs	45,105	47,182
	<u>2,461,394</u>	<u>2,359,620</u>

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

	2021 No.	2020 No.
Management	6	7
Administration and Sales	10	12
Production	70	72
	<u>86</u>	<u>91</u>

7. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	75,200	67,410
Company contributions to defined contribution pension schemes	1,926	1,926
	<u>77,126</u>	<u>69,336</u>

During the year retirement benefits were accruing to one Director (2020 - one) in respect of defined contribution pension schemes.

CURRIE & WARNER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Interest receivable and similar income

	2021 £	2020 £
Bank interest receivable	-	1,457
Other interest receivable	-	576
	<u>-</u>	<u>2,033</u>

9. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profit/(loss) for the year	94,656	(105,061)
Total current tax	<u>94,656</u>	<u>(105,061)</u>
Deferred tax		
Origination and reversal of timing differences	(4,453)	44,460
Total deferred tax	<u>(4,453)</u>	<u>44,460</u>
Taxation on profit/(loss)	<u>90,203</u>	<u>(60,601)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) before tax	612,369	(321,273)
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	116,350	(61,042)
Effects of:		
Losses surrendered as group relief	-	105,061
Charges for group losses surrendered	-	(105,061)
Other timing differences leading to an increase/(decrease) in taxation	216	441
Utilisation of tax losses	(26,363)	-
Total tax charge for the year	90,203	(60,601)

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom would increase from 19% to 25%. Companies with profits of £50,000 or less would continue to be taxed at 19%, which was a new small profits rate. Where taxable profits were between £50,000 and £250,000, the higher 25% rate would apply but with a marginal relief applying as profits increased.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures, fittings, tooling and equipment £	Total £
Cost				
At 1 January 2021	5,858,858	67,783	760,071	6,686,712
Additions	134,012	-	5,906	139,918
Disposals	(12,000)	-	-	(12,000)
At 31 December 2021	<u>5,980,870</u>	<u>67,783</u>	<u>765,977</u>	<u>6,814,630</u>
Depreciation				
At 1 January 2021	4,613,683	48,555	678,494	5,340,732
Charge for the year	151,284	12,819	17,993	182,096
At 31 December 2021	<u>4,764,967</u>	<u>61,374</u>	<u>696,487</u>	<u>5,522,828</u>
Net book value				
At 31 December 2021	<u>1,215,903</u>	<u>6,409</u>	<u>69,490</u>	<u>1,291,802</u>
At 31 December 2020	<u>1,245,175</u>	<u>19,228</u>	<u>81,577</u>	<u>1,345,980</u>

CURRIE & WARNER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Stocks

	2021	2020
	£	£
Raw materials	2,001,171	1,356,920
Work in progress	749,119	710,683
Finished goods	522,675	602,443
	<u>3,272,965</u>	<u>2,670,046</u>

12. Debtors

	2021	2020
	£	£
Trade debtors	1,977,442	1,149,122
Amounts owed by group undertakings (note 19)	224,943	324,485
Other debtors	56,646	62,113
Prepayments and accrued income	22,741	28,650
	<u>2,281,772</u>	<u>1,564,370</u>

13. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,363,878	767,191
Amounts owed to group undertakings (note 19)	1,413,934	1,388,980
Corporation tax	94,656	-
Other taxation and social security	77,622	159,890
Other creditors	206,922	57,597
Accruals and deferred income	93,250	68,523
	<u>3,250,262</u>	<u>2,442,181</u>

CURRIE & WARNER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Financial instruments

	2021 £	2020 £
Financial assets		
Cash and cash equivalents	701,306	641,656
Financial assets measured at amortised cost	2,259,031	1,466,455
	<u>2,960,337</u>	<u>2,108,111</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(3,077,984)</u>	<u>(2,282,291)</u>

Cash and cash equivalents comprise cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Other financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

15. Deferred taxation

	2021 £
At beginning of year	(231,964)
Charged to Statement of Comprehensive Income	4,453
At end of year	<u>(227,511)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(228,349)	(232,733)
Other timing differences	838	769
	<u>(227,511)</u>	<u>(231,964)</u>

CURRIE & WARNER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Share capital

	2021 £	2020 £
Authorised		
33,000 (2020 - 33,000) Ordinary Shares of £1 each	33,000	33,000
	<u>33,000</u>	<u>33,000</u>
Allotted, called up and fully paid		
32,215 (2020 - 32,215) Ordinary Shares of £1 each	32,215	32,215
	<u>32,215</u>	<u>32,215</u>

Share capital represents the nominal value of shares that have been issued. There are no restrictions attached to the one class of share capital.

17. Reserves**Profit and loss account**

The profit and loss account contains all current and prior period retained earnings.

18. Pension commitments

The Company participates in a group defined benefit pension scheme which is closed to new entrants and future accrual of benefits. The assets of the scheme are administered by trustees and are held separately from the group. The Company is unable to identify its share of the assets and liabilities of the group pension scheme, and has therefore followed the provisions for multi employer schemes within Section 28 of Financial Reporting Standard 102 "Employee Benefits" and not provided for an asset or liability. The Company has not obtained and disclosed an asset or liability at 31 December 2021 in accordance with Section 28. Whilst there is no direct relationship with the Section 28 valuation, at the last actuarial valuation prepared as at 5 April 2020 the scheme has a surplus of assets over liabilities amounting to £1,250,000.

The principal assumption used in the actuarial valuation was that long term investment returns will be 0.4% per annum above inflation.

The Company also participates in a group defined contribution scheme, for which the liability is limited to the annual contributions payable. As at 31 December 2021, the total contributions due for payment to the pension provider after the year end were £10,621 (2020 - £9,719).

19. Related party transactions

As a wholly owned subsidiary of Currie & Warner (Holdings) Limited, the Company has taken advantage of the exemption granted by FRS 102 not to disclose transactions with its parent undertaking or other wholly owned fellow subsidiary undertakings.

CURRIE & WARNER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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20. Ultimate parent undertaking and controlling party

The Company's immediate and ultimate parent undertaking is Currie & Warner (Holdings) Limited, a company incorporated in Great Britain and registered in England and Wales.

The results of the Company are incorporated into the consolidated financial statements of Currie & Warner (Holdings) Limited. Copies of these financial statements can be obtained from Summer Hill Works, Powell Street, Birmingham, B1 3DH.