

Company Registration No. 00741360 (England and Wales)

CONTROL TECHNIQUES DYNAMICS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



CONTROL TECHNIQUES DYNAMICS LIMITED

COMPANY INFORMATION

Directors	A P Pickering M A G O'Neill R Mayolle	(Appointed 2 September 2022) (Appointed 2 September 2022)
Secretary	J Martin	
Company number	00741360	
Registered office	South Way Andover Hampshire SP10 5AB	
Auditor	Langdowns DFK Limited Fleming Court Leigh Road Eastleigh Hampshire SO50 9PD	
Bankers	Barclays Bank PLC Canary Wharf London EC14 5HP	

CONTROL TECHNIQUES DYNAMICS LIMITED

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CONTROL TECHNIQUES DYNAMICS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The company's principal activities during the year were the manufacture and sale of electronic servo motors.

CTD is part of the Nidec Group, a USD \$12 billion revenue manufacturer of electric motors and related electronics components. The Nidec Group includes more than 300 subsidiaries and employs more than 140,000 individuals globally. Nidec's head office is based in Japan. CTD is part of the CIS-A business which is head quartered in St Louis, USA.

Business Review

The principal activity during the 12 months was the manufacture and sale of electromechanical and electronic devices. The Company manufactures two complementary servo motor ranges: Unimotor FM targets applications where continuous duty, medium inertia are key factors; Unimotor HD is the compact, high dynamic range, targeting applications where these features add value. The percentage of sales represented by HD is growing as it becomes increasingly well-received by large OEM customers.

The company coordinates the group's investment in people, products, facilities and customer facing activities. Whilst overall managerial control is exercised by the Main Board of Nidec Motion Control its subsidiaries are allowed a significant degree of autonomy and all the group's employees are encouraged to exercise their initiative, skills and use their local knowledge to promote the growth of the group.

Markets and Trends

According to the research report, the "Servo Motors and Drives Market by Offering (Hardware, Software and Services), Product Type (Servo Motors, Servo Drives), System, Voltage, Communication Protocol, Brake Technology, Material of Construction, Industry, and Region - Global Forecast to 2025" is projected to grow from USD 13.9 billion in 2020 to USD 16.8 billion by 2025; it is expected to grow at a CAGR of 4.0% from 2020 to 2025. The key factors fuelling the growth of this market include the growing automation in factories, rising adoption of international standards for motor efficiency, development of user-friendly motion control libraries and packages for motors and drives, and increasing production of vehicles. Servo motors are the most sophisticated motion control devices. They incorporate advanced design methods, high-force magnet materials, and precise dimensional tolerance. Although not a specific class of motors, these electrical devices are designed and intended to be used in motion control applications that involve exceptional performance, quick reversing, and high accuracy positioning and high levels of efficiency. In addition, they offer easy installation and involve no maintenance cost, thus driving their demand over the forecast period. Rapid growth and advancements in automation, coupled with increasing adoption of battery driven AGV's, are some of the substantial drivers influencing market growth.

Objectives

The company's main objective is to grow through continued investment in its marketing initiatives, product development, manufacturing processes and sales network. CTD leverages two sales channels from Nidec's ACIM and M&DE Business segments – leveraging Automation Centre's, which allows it to position technical expertise near to its customers, clearly differentiates it from its competitors and this, combined with the launch of innovative new products and continuing focus on its delivery performance, will allow the company to maintain and improve its market position. Customer base consists of OEM and distributors with a Global customer base and a varied number of market segment applications.

Strategy

The company strives to follow business best practice, as detailed by its parent company, and has implemented procedures to ensure that it complies with all applicable safety, ethical, environmental and legislative requirements. The company is focused on producing and delivering high quality, competitive products and services to meet its customers' requirements and to this end will continue to invest in people and processes. An increasing focus for the company is on battery driven AGV's, productivity improvement through automation and environmentally friendly operations.

CONTROL TECHNIQUES DYNAMICS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Business Outlook

The business outlook is looking strong. With a healthy order book and a strong performance in the financial year.

The company has now improved and increased its supply channels for the sourcing of material to ensure that material shortages are limited and productivity relatively unaffected. Subsequently the raw material and commodities prices have also increased when sourcing from Chinese and European suppliers. Distribution costs have subsequently increased 33% due to carriers increasing their prices, as well as the increase in duty costs due.

Labour shortages were overcome by retaining existing staff by offering a performance related bonus for the year and additional staff were recruited with additional incentives such as recruitment bonuses and ongoing performance related bonuses.

Forecasted Sales for the Year Ended 31st March 2023 are at £18.3m an increase of 17.1%. The current order book is healthy seeing large orders from key customers and overall, the business outlook is very positive.

New products continue to be developed and new customers acquired. CTD now has a mix of customers including larger OEMs. Growth is planned and improved margins will be seen due to supply base change. CTD is supporting multiple sales channels across Nidec and has strong growth strategies in place.

Principal risks and uncertainties

In all business operations, risk management and process control are a priority, and the Board of Directors are ultimately responsible for considering major risks. The following are key areas of risk to the business:

Foreign exchange

The company is exposed to currency risk in the form of 'transaction risk' in respect of products manufactured in the UK and sold across the world in other currencies.

Raw material prices

The current economic outlook and high inflation rates is having an impact on material pricing. Although prices of key commodities have increased, CTD is committed to identify opportunities to reduce our cost base through negotiation and alternative suppliers. Any increases or volatility in prices and shortages in supply can affect the company's performance.

Corporate Social Responsibility

The company has a strong commitment to business ethics which includes regular communication to all employees regarding the importance of conducting business in a legal and responsible manner.

Disruption to Operations

The company has well-developed disaster recovery plans designed to deal with disruption to its manufacturing operations and IT infrastructure.

CONTROL TECHNIQUES DYNAMICS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Key performance indicators

	12 Months March 2022	12 Months March 2021	12 Months March 2020	18 Months March 2019	12 Months Sep 2017
Sales	£15.6m	£11.2m	£15.3m	£24.7m	£15.5m
Pre tax profit Percentage	0.5%	-8.2%	6.0%	11.3%	21.5%
Capital expenditure	£0.3m	£0.3m	£0.9m	£1.1m	£0.3m
Number of employees	109	111	120	117	105
Average remuneration per employee	£35.7k	£35.3k	£35.8k	£54.3k	£35.2k

Other key performance indicators

The company's turnover and income is derived from sales made to other Group companies and external trade customers. During the year ended 31 March 2022 it recorded an operating profit of £102,430 (year ended 31 March 2021: loss of £895,335) and a pre-tax profit of £77,931 (year to 31 March 2021: loss of £920,056). Net assets reduced to £11,876,585 (31 March 2021: £12,066,507). No significant changes in the principal activities of the business are anticipated in the foreseeable future.

On behalf of the board

M A G O'Neill
Director

20 July 2023

CONTROL TECHNIQUES DYNAMICS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Results and dividends

The loss for the year, after taxation, amounted to £189,922 (2021 - £855,053).

There were no dividends declared or paid in the 12-month period to 31 March 2022 (12-months to 31 March 2021: £nil).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Jayasoma	(Resigned 29 July 2022)
A P Pickering	
M A G O'Neill	(Appointed 2 September 2022)
R Mayolle	(Appointed 2 September 2022)

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 44 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Future developments

Control Techniques Dynamics Limited will continue to act as a trading company providing servo technology and products within Nidec Group and externally. CTD will continue to be part of the Nidec Motion Control Business Unit and support the needs of multiple Nidec Group companies. CTD is continually developing new technological advancements and will focus in FY22 on high speed motors and integrated servo and controller solutions to meet their customers' needs.

CONTROL TECHNIQUES DYNAMICS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Research and development

Control Techniques Dynamics Limited continue to invest in research and development activities in the field of servo motors and electronic variable speed drives.

Engagement with employees

Regular formal and informal meetings are held with employees to discuss the progress of the company with them and to invite their views and comments. Training and career development are actively encouraged and are available to all employees based upon their ability and the requirements of the company.

Disabled employees

The company seeks to ensure that full and fair consideration is given to applications from disabled persons, and also makes every effort to find alternative work (including retraining if necessary) for existing employees who become unable to carry out the job for which they are employed.

Qualifying third party indemnity provisions

The directors benefited from third party indemnity provisions in place during the financial year and at the date of this report.

Matters covered in the strategic report

Some elements of the Directors' Report are included in the Strategic Report and have not been repeated here. These can be found within the Strategic Report on pages 1 to 3.

Post reporting date events

COVID-19 continues to have an impact on the company's operations and markets. The Directors have considered the impact of COVID-19 in preparing these financial statements, in particular in relation to their assessment that the going concern basis of preparation should be used.

Auditor

The auditor, Langdowns DFK Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

CONTROL TECHNIQUES DYNAMICS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The company has net current assets of £9.3 million as at 31 March 2022 and made a loss for the year then ended of £0.19 million. The company earns its revenue from the manufacture and sale of electronic servo motors. It meets its day to day working capital requirements from its own profits and reserves. The company also has access to the Group cash pool, and this gives them easy access to funds, if required, to safeguard against potential downside risks posed by COVID-19. The company has prepared cashflow forecasts for the period to 31 March 2023 including a severe but plausible downside case which shows reductions in revenue caused by COVID-19. As set out in Note 2 to the financial statements, the going concern basis of accounting has been adopted in preparing these financial statements on the basis that the company will continue to be self-sufficient for at least the next twelve months from the date these financial statements are approved.

On behalf of the board

M A G O'Neill

Director

20 July 2023

CONTROL TECHNIQUES DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONTROL TECHNIQUES DYNAMICS LIMITED

Opinion

We have audited the financial statements of Control Techniques Dynamics Limited (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss 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 *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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report but does not include the financial statements and our Report of the Auditors thereon.

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

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

CONTROL TECHNIQUES DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CONTROL TECHNIQUES DYNAMICS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the 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 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, 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 either intend 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit planning procedures we identify the significant laws and regulations applicable to the company based upon our knowledge of the company, the industry in which it operates and from making enquiries with management. We consider those laws and regulations where non-compliance may have a material effect on the financial statements and those which have a direct impact on the financial statements. We identified that the most significant laws and regulations applicable during the year were Health and Safety regulations, Employment Law and WEEE (Waste Electronic Equipment Disposal) regulations and reporting requirements of the Companies Act 2006 and Financial Reporting Standard 101.

Audit procedures performed by the engagement team in relation to laws and regulations include making enquiries of management as to any known or suspected instances of non-compliance, maintaining awareness throughout the course of the audit as to any indications of instances of non-compliance and undertaking a review of the disclosures in the financial statements to supporting information and to disclosure checklists.

CONTROL TECHNIQUES DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CONTROL TECHNIQUES DYNAMICS LIMITED

We also consider areas that are at a higher risk of causing material misstatement in the financial statements due to irregularities, including those resulting from fraud and how such fraud may occur. We discuss with senior management the key controls in place to mitigate the risk of fraud and enquire as to whether they are aware of, or suspect, any fraudulent activities having taken place.

Throughout the audit, we maintain an appropriate level of professional scepticism when provided with information and explanations. We consider the appropriateness of significant accounting journals that were processed during the year, assess the reasonableness of any significant accounting estimates and consider whether there were any indications of bias by management during the year that represents a risk of material misstatement due to fraud. We also carry out analytical procedures to identify any unusual or unexpected variances to expectations as these may be an indication of management over-ride or management bias.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 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.

For and on behalf of Langdowns DFK Limited

26 July 2023

Ross Garfitt (Senior Statutory Auditor)

Statutory Auditor
Fleming Court
Leigh Road
Eastleigh
Hampshire
SO50 9PD

CONTROL TECHNIQUES DYNAMICS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	15,633,804	11,224,844
Cost of sales		(11,800,325)	(8,119,284)
Gross profit		3,833,479	3,105,560
Distribution costs		(750,671)	(382,151)
Administrative expenses		(2,980,378)	(3,912,683)
Other operating income		-	293,939
Operating profit/(loss)	6	102,430	(895,335)
Interest receivable and similar income	7	-	2,221
Interest payable and similar expenses	9	(24,499)	(26,942)
Profit/(loss) before taxation		77,931	(920,056)
Tax on profit/(loss)	10	(267,853)	65,003
Loss and total comprehensive income for the financial year		(189,922)	(855,053)

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 13 to 27 form part of these financial statements.

CONTROL TECHNIQUES DYNAMICS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible fixed assets	11		3,269,397		3,523,076
Current assets					
Stocks	12	3,834,183		3,198,065	
Debtors	13	6,239,815		3,339,167	
Cash at bank and in hand		2,284,920		5,101,716	
		12,358,918		11,638,948	
Creditors: amounts falling due within one year	14	(3,061,694)		(2,445,006)	
Net current assets			9,297,224		9,193,942
Total assets less current liabilities			12,566,621		12,717,018
Creditors: amounts falling due after more than one year	14		(650,666)		(650,511)
Provisions for liabilities					
Deferred tax liabilities	16		(39,370)		-
Net assets			11,876,585		12,066,507
Capital and reserves					
Called up share capital	18		14,875		14,875
Share premium account			1,000		1,000
Profit and loss reserves			11,860,710		12,050,632
Total equity			11,876,585		12,066,507

The notes on pages 13 to 27 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 20 July 2023 and are signed on its behalf by:

M A G O'Neill
Director

Company registration number 00741360

CONTROL TECHNIQUES DYNAMICS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2020	14,875	1,000	12,905,685	12,921,560
Year ended 31 March 2021:				
Loss and total comprehensive income for the year	-	-	(855,053)	(855,053)
Balance at 31 March 2021	14,875	1,000	12,050,632	12,066,507
Year ended 31 March 2022:				
Loss and total comprehensive income for the year	-	-	(189,922)	(189,922)
Balance at 31 March 2022	14,875	1,000	11,860,710	11,876,585

The notes on pages 13 to 27 form part of these financial statements.

CONTROL TECHNIQUES DYNAMICS LIMITED

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts 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 revision and future periods if the revision affects both the current and future periods.

2 Accounting policies

Company information

Control Techniques Dynamics Limited is a private limited company incorporated, domiciled and registered in Great Britain and based at South Way, Andover, Hampshire, SP10 5AB. The registered number is 00741360.

2.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The preparation of financial statements in compliance with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of;
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

2.2 Going concern

The Directors have prepared these financial statements on the assumption that the company will continue to trade as a going concern for the foreseeable future on the following basis. The company earns its revenue from the manufacture and sale of electronic servo motors. It meets its day to day working capital requirements from its own profits and reserves. The company will continue to be self-sufficient, as sales orders continue to increase significantly. The Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

2.3 Turnover

Revenue 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. 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:

2.4 Sale of goods

Revenue from the sale of goods is recognised on the satisfaction of performance obligations, such as the transfer of a promised good, identified in the contract between the Company and the customer.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.5 Interest income

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

2.6 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.

2.7 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.

Assets under construction are capitalised but are not depreciated until the asset is put into use.

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 land and buildings	2%
Long-term Leasehold property	20%-33%
Fixtures and fittings	10%-20%
Plant and equipment	15%-33%
Computers	25%
AICC	Enter depreciation rate via StatDB - cd199

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

2.8 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

2.9 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.

2.10 Financial assets

The Company recognises financial assets when it becomes a party to the contractual arrangements of the instrument. Financial assets are de-recognised when they are discharged or when the contractual terms expire.

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Financial assets at fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.11 Financial liabilities

The Company recognises financial liabilities when it becomes a party to the contractual arrangements of the instrument. Financial liabilities are de-recognised when they are discharged or when the contractual terms expire.

Creditors are obligations to pay of goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

2.12 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.

Current tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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 balance sheet date.

2.13 Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.14 Retirement benefits

The Company operates a defined contribution plan for its employees. A defined contributions 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 expenses in profit and loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. That assets of the plan are held separately from the Company in independently administered funds.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

2.15 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; The lease liability is included in 'Creditors' on the Balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Tangible Fixed Assets' line in the Balance sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Tangible fixed assets.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

2.16 Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

2.17 Foreign exchange

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.

2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3 Turnover and other income

	2022	2021
	£	£
Turnover analysed by class of business		
Sale of goods	15,633,804	11,224,844
	<u>15,633,804</u>	<u>11,224,844</u>
	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	784,713	541,621
Rest of Europe	8,530,664	6,836,611
North America	2,228,233	1,573,076
Rest of the World	4,090,194	2,273,536
	<u>15,633,804</u>	<u>11,224,844</u>
	2022	2021
	£	£
Other income		
Grants received	-	293,939
	<u>-</u>	<u>293,939</u>

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	25,285	30,250
	<u>25,285</u>	<u>30,250</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Management and Administration	28	26
Production	81	85
	<u>109</u>	<u>111</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	3,441,970	3,290,676
Social security costs	335,954	301,505
Pension costs	123,905	117,480
	<u>3,901,829</u>	<u>3,709,661</u>

6 Operating profit/(loss)

	2022	2021
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(74,736)	728,838
Government grants	-	(293,939)
Depreciation of property, plant and equipment	594,672	627,272
Profit on disposal of tangible fixed assets	(1,060)	-
Cost of inventories recognised as an expense	8,199,665	5,334,832
Defined contribution pension costs	123,905	117,480
	<u>8,838,446</u>	<u>6,496,483</u>

7 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Other interest income	-	2,221
	<u>-</u>	<u>2,221</u>

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	165,738	143,381
Company pension contributions to defined contribution schemes	5,446	5,040
	<u>171,184</u>	<u>148,421</u>

During the year retirement benefits were accruing to 1 director (2021 - 1) in respect of defined contribution pension schemes.

9 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	24,499	26,942
	<u>24,499</u>	<u>26,942</u>

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	68,523	-
Adjustments in respect of prior periods	-	(49,528)
Total UK current tax	<u>68,523</u>	<u>(49,528)</u>
Deferred tax		
Origination and reversal of temporary differences	199,330	(106,961)
Benefit arising from a previously unrecognised tax loss, tax credit or temporary difference	-	91,486
	<u>199,330</u>	<u>(15,475)</u>
Total tax charge/(credit)	<u>267,853</u>	<u>(65,003)</u>

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Taxation

(Continued)

Factors affecting tax charge for the year

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

	2022 £	2021 £
Profit/(loss) before taxation	77,931	(920,056)
Expected tax charge/(credit) based on a corporation tax rate of 19.00% (2021: 19.00%)	14,807	(174,811)
Utilisation of tax losses not previously recognised	128,009	-
Adjustment in respect of prior years	99,750	41,957
Effect of change in UK corporation tax rate	17,117	-
Depreciation on assets not qualifying for tax allowances	8,170	-
Expenses not deductible for tax purposes, other than goodwill amortization and impairment	-	14,045
Other differences leading to an increase (decrease) in the tax charge	-	53,806
Taxation charge/(credit) for the year	267,853	(65,003)

Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Tangible fixed assets	Freehold land and buildings	Long-term Leasehold property	Plant and equipment	Fixtures and fittings	Computers	AICC	Total
Cost	£	£	£	£	£	£	£
At 1 April 2021	1,507,914	729,758	5,197,233	262,726	828,000	396,734	8,922,365
Additions	-	-	33,513	102	-	311,978	345,593
Disposals	-	-	(9,201)	-	-	-	(9,201)
Transfer between classes	38,417	-	490,639	33,417	-	(562,473)	-
At 31 March 2022	1,546,331	729,758	5,712,184	296,245	828,000	146,239	9,258,757
Accumulated depreciation and impairment							
At 1 April 2021	636,894	97,040	3,637,566	199,789	828,000	-	5,399,289
Charge for the year	24,807	17,235	543,066	9,564	-	-	594,672
Eliminated on disposal	-	-	(4,601)	-	-	-	(4,601)
At 31 March 2022	661,701	114,275	4,176,031	209,353	828,000	-	5,989,360
Carrying amount							
At 31 March 2022	884,630	615,483	1,536,153	86,892	-	146,239	3,269,397
At 31 March 2021	871,020	632,718	1,559,667	62,937	-	396,734	3,523,076

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Tangible fixed assets includes right-of-use assets, as follows:

Right-of-use assets	2022 £	2021 £
Net values at the year end		
Property	615,483	632,718
Plant and equipment	27,927	43,698
	<u>643,410</u>	<u>676,416</u>
Depreciation charge for the year		
Property	17,235	48,520
Plant and equipment	11,171	13,470
	<u>28,406</u>	<u>61,990</u>

12 Stocks

	2022 £	2021 £
Raw materials	2,427,904	2,343,889
Work in progress	1,021,896	582,346
Finished goods	384,383	271,830
	<u>3,834,183</u>	<u>3,198,065</u>

The write-down of stocks to net realisable value amounted to £nil (2021: £nil). The write-down is included in cost of sales.

13 Debtors

	2022 £	2021 £
Trade debtors	1,050,276	533,699
Corporation tax recoverable	2,295	47,513
VAT recoverable	967,437	347,730
Amounts owed by associate undertakings / cashpool asset	1,299,637	134,518
Amounts owed by group undertakings	2,828,642	2,086,892
Prepayments and accrued income	84,430	72,540
	<u>6,232,717</u>	<u>3,222,892</u>
Deferred tax asset	7,098	116,275
	<u>6,239,815</u>	<u>3,339,167</u>

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Debtors

(Continued)

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The Cashpool asset represents cash funds that Control Techniques Dynamics Limited have entered into a pooled cash account that is not in their legal ownership. Legal ownership is held by another Nidec- group company. These funds remain readily accessible and available to the company.

14 Creditors

	Notes	Due within one year		Due after one year	
		2022 £	2021 £	2022 £	2021 £
Trade creditors		2,235,495	1,781,115	-	-
Amounts owed to group undertakings		488,341	287,343	-	-
Taxation and social security		121,291	107,331	-	-
Lease liabilities	15	20,473	46,166	650,666	650,511
Accruals		196,094	223,051	-	-
		<u>3,061,694</u>	<u>2,445,006</u>	<u>650,666</u>	<u>650,511</u>

The amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

15 Lease liabilities

	2022 £	2021 £
Maturity analysis		
Within one year	20,473	46,166
In two to five years	56,533	141,360
In over five years	594,133	509,151
	<u>671,139</u>	<u>696,677</u>
Total undiscounted liabilities	<u>671,139</u>	<u>696,677</u>

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022 £	2021 £
Current liabilities	20,473	46,166
Non-current liabilities	650,666	650,511
	<u>671,139</u>	<u>696,677</u>

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Lease liabilities

(Continued)

Company as a lessee

During the period, the company leased property (land and premises) and a number of items of plant (forklifts) for its operations.

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment. These have been presented as Long-term Leasehold properties, with a right-of-use asset value of £729,758 (31 March 2021: £729,758) and plant and machinery with a right-of-use value of £55,853 (31 March 2021: £65,054). The closing book value of leased property as at 31 March 2022 was £643,410 (31 March 2021: £676,416).

There were no additions of right-of-use assets in the year, there was one disposal of plant and machinery with a right-of-use value of £9,201. Depreciation charged in the year on right-of-use assets was as follows: on leased property £17,235, on leased plant and machinery £11,171.

16 Deferred taxation

	2022 £	2021 £
Deferred tax liabilities	39,370	-
Deferred tax assets	(7,098)	(116,275)
	<u>32,272</u>	<u>(116,275)</u>

Deferred tax assets are expected to be recovered within one year

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £	Tax losses £	Other timing differences £	Total £
Asset at 1 April 2020	(95,349)	-	(5,394)	(100,743)
Deferred tax movements in prior year				
Charge/(credit) to profit or loss	70,496	(128,009)	41,981	(15,532)
Asset at 1 April 2021	(24,853)	(128,009)	36,587	(116,275)
Deferred tax movements in current year				
Charge/(credit) to profit or loss	72,071	128,009	(34,134)	165,946
Effect of change in tax rate - profit or loss	(7,848)	-	(9,551)	(17,399)
Liability at 31 March 2022	39,370	-	-	39,370
Asset at 31 March 2022	-	-	(7,098)	(7,098)

CONTROL TECHNIQUES DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	123,905	117,480

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share capital

	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary of £1 each	14,875	14,875	14,875	14,875

19 Reserves

Share premium account

There have been no changes in equity affecting the Share Premium account in either the current or previous years.

Profit and loss account

All gains and losses are reflected in the Profit and Loss account.

20 Controlling party

At the balance sheet date the Company was a subsidiary of Nidec Corporation, which was the ultimate parent company incorporated in Japan. The immediate parent undertaking is Nidec Control Techniques Limited, a company incorporated in Great Britain.

The largest group in which the results of the company are consolidated is that headed by Nidec Corporation. Copies of the annual financial statements of the ultimate holding company are available from: Nidec Corporation, 338 Kuzetonoshiro-cho, Minami-ku, Kyoto 601-8205, JAPAN.

No other group financial statements include the results of the Company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.