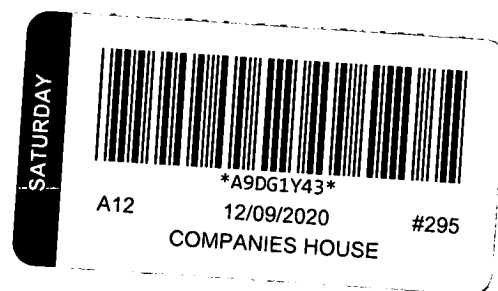


Registered number: 01442283

ACCURA ENGINEERING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2019



ACCURA ENGINEERING LIMITED

COMPANY INFORMATION

Directors	M Richards C Wright (appointed 25 July 2018)
Company secretary	R Eldridge
Registered number	01442283
Registered office	1 Stringes Close Willenhall West Midlands WV13 1NS
Independent auditor	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ

ACCURA ENGINEERING LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Notes to the financial statements	8 - 16
The following pages do not form part of the statutory financial statements:	
Detailed profit and loss account and summaries	17 - 21

ACCURA ENGINEERING LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2019

The directors present their report and the financial statements for the period ended 30 June 2019.

Directors' responsibilities statement

The directors are responsible for preparing 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Business review

In July 2018 Accura Engineering Ltd was acquired by Connexion Precision Finance Ltd. The acquisition followed a comprehensive sale process driven by the underperformance of its former parent group which Accura Engineering had been supporting financially. Free of that burden, Accura Engineering sought and secured new working capital facilities in September 2020 which will allow the business to continue to strengthen ties with existing clients and develop new ones via its business development team.

As part of the acquisition process, Craig Wright joined the company as Chairman and CEO. Craig has significant prior knowledge of the company having served as a director between 1997 and 2002. Since re-joining the company, Craig has focussed with working with the incumbent management team including long serving Managing Director, Mike Richards to develop an aggressive but sustainable business growth plan supported by securing new customers and organically growing existing clients.

The turnover of £9.6m represented an 18% increase compared to the previous period with an operating profit of £792k before exceptional items.

Directors

The directors who served during the period were:

M Richards
C Wright (appointed 25 July 2018)

ACCURA ENGINEERING LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2019

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, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 8th September 2020 and signed on its behalf.


C Wright
Director

ACCURA ENGINEERING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCURA ENGINEERING LIMITED

Opinion

We have audited the financial statements of Accura Engineering Limited (the 'Company') for the period ended 30 June 2019, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2019 and of its loss for the period 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ACCURA ENGINEERING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCURA ENGINEERING LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

ACCURA ENGINEERING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCURA ENGINEERING LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, 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 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.

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 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.



Richard Baker (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL
Date: 9 September 2020

ACCURA ENGINEERING LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2019

	Note	Period ended 30 June 2019 £	31 March 2018 £
Turnover		9,622,162	8,144,414
Cost of sales		(7,846,489)	(6,566,357)
Gross profit		1,775,673	1,578,057
Distribution costs		(104,286)	(71,529)
Administrative expenses		(960,411)	(844,641)
Other operating income		81,300	50,000
Operating profit		792,276	711,887
Exceptional items	4	(8,371,397)	-
Interest payable and expenses		(66,283)	(19,927)
(Loss)/profit before tax		(7,645,404)	691,960
Tax on (loss)/profit		(158,020)	32,062
(Loss)/profit for the financial period		(7,803,424)	724,022

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 8 to 16 form part of these financial statements.

ACCURA ENGINEERING LIMITED
REGISTERED NUMBER: 01442283

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	30 June 2019 £	31 March 2018 £
Fixed assets			
Tangible assets	5	427,494	501,306
Current assets			
Stocks	6	885,458	812,578
Debtors: amounts falling due within one year	7	2,733,337	1,521,459
Bank and cash balances		250,008	762,834
		<u>3,868,803</u>	<u>3,096,871</u>
Creditors: amounts falling due within one year	8	(2,040,343)	(1,882,679)
Net current assets		<u>1,828,460</u>	<u>1,214,192</u>
Total assets less current liabilities		<u>2,255,954</u>	<u>1,715,498</u>
Creditors: amounts falling due after more than one year	9	(45,069)	(110,365)
Net assets		<u><u>2,210,885</u></u>	<u><u>1,605,133</u></u>
Capital and reserves			
Called up share capital	11	8,429,176	20,000
Profit and loss account		(6,218,291)	1,585,133
		<u><u>2,210,885</u></u>	<u><u>1,605,133</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

8th September 2020

C Wright
Director



The notes on pages 8 to 16 form part of these financial statements.

ACCURA ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

1. General information

The company (registered number: 01442283) is a private company, limited by shares and registered in England and Wales. The registered office and trading address of the company is 1 Stringes Close, Willenhall, England, WV13 1NS.

The company has prepared its financial statements for a 15 month period ending 30 June 2019. The prior year was a 12 month year ended 31 March 2018.

Principal activity

The company is a specialist supplier of engineering consultancy, precision machining services and mechanical manufacturing to a portfolio of blue chip OEM customers.

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 Section 1A of 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 judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

In their assessment of going concern the directors have considered the current and developing impact upon the business of the Coronavirus pandemic.

This has had a significant but contained impact upon the company's operations in terms of ensuring that the welfare of staff is protected by adherence to the government guidelines in force at any given time. At the time of writing, it is not clear how long the current circumstances will last and what the longer term impact might be.

The directors have updated their annual budgets and forecasts based on the current estimates of the impact of the Coronavirus pandemic and undertaken extensive stress testing of the company finances to understand fully what cost base is required to fulfil any given demand.

The forecast is one of seeking to grow the business and maintain profitability driven by a reasoned investment in machinery and personnel, albeit there will be an impact as a result of Covid-19 in the short term. Aerospace, data communications, space, nuclear and renewable power generation and specialist automotive are just some of the sectors that are targeted by the growth plan.

To this end, the directors have confirmed alternative funders to secure the longer term future of the company. A new lender has confirmed banking facilities that provide the required working capital needs.

Having regard to the above, the board of directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

ACCURA ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.3 Revenue

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 represents sales to external customers excluding discounts, rebates, value added tax and other sales taxes.

2.4 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.

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

2.5 Hire purchase

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

2.6 Interest income

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

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

2.8 Pensions

Defined contribution pension plan

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.

ACCURA ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

2. Accounting policies (continued)

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, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Straight line over 5 to 50 years
Plant and machinery	- Straight line over 3 to 5 years
Motor vehicles	- Straight line over 4 years
Fixtures and fittings	- Straight line over 3 to 7 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.

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 profit or loss.

2.11 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 non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the period was 87 (2018 - 88).

ACCURA ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019

4. Exceptional items

	Period ended 30 June 2019 £	31 March 2018 £
Unrecoverable intercompany debtor	<u>8,371,397</u>	<u>-</u>

In July 2018, an agreement was reached between the former majority shareholders (of the then ultimate holding company), and bankers HSBC that Accura Engineering Ltd would be acquired by Craig Wright and Mike Richards through the creation of new holding companies.

Upon the completion of the transaction, Accura Group and Accura Finance were placed into Administration/ Liquidation at the point of the change in ownership. Owing to the intercompany debtor in Accura Engineering now being irrecoverable, it was written off to the Profit and Loss account as an exceptional item totalling £8.37m.

At the same time, Accura Engineering issued 8,409,176 £1 ordinary shares that were acquired by Connexion Precision Finance Ltd. Loans in Connexion Precision Technologies (CPT) and Connexion Precision Finance (CPF) were undertaken to ensure that Accura Engineering had suitable cash headroom for which to carry out its trading commitments.

The two transactions as set out above did not affect the cash liquidity of Accura Engineering.

ACCURA ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

5. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2018	110,993	3,331,690	101,673	191,238	3,735,594
Additions	5,634	124,009	-	3,206	132,849
At 30 June 2019	<u>116,627</u>	<u>3,455,699</u>	<u>101,673</u>	<u>194,444</u>	<u>3,868,443</u>
Depreciation					
At 1 April 2018	97,340	2,864,996	97,111	174,841	3,234,288
Depreciation charge	3,541	191,691	4,562	6,867	206,661
At 30 June 2019	<u>100,881</u>	<u>3,056,687</u>	<u>101,673</u>	<u>181,708</u>	<u>3,440,949</u>
Net book value					
At 30 June 2019	<u>15,746</u>	<u>399,012</u>	<u>-</u>	<u>12,736</u>	<u>427,494</u>
At 31 March 2018	<u>13,653</u>	<u>466,694</u>	<u>4,562</u>	<u>16,397</u>	<u>501,306</u>

The net book value of land and buildings may be further analysed as follows:

	30 June 2019 £	31 March 2018 £
Long leasehold	15,746	13,653
	<u>15,746</u>	<u>13,653</u>

The net book value of tangible fixed assets includes an amount of £130,836 (2018 - £340,596) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charged on these assets during the year was £44,549 (2018 - £123,477).

ACCURA ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019

6. Stocks

	30 June 2019 £	31 March 2018 £
Raw materials and consumables	231,336	126,752
Work in progress (goods to be sold)	413,888	572,626
Finished goods and goods for resale	305,693	440,594
Payments received on account	(65,459)	(327,394)
	<u>885,458</u>	<u>812,578</u>

7. Debtors

	30 June 2019 £	31 March 2018 £
Trade debtors	1,291,051	982,123
Amounts owed by group undertakings	1,083,388	-
Other debtors	-	6,838
Prepayments and accrued income	103,550	44,613
Amounts recoverable on long term contracts	120,000	308,168
Tax recoverable	81,300	50,000
Deferred taxation	54,048	129,717
	<u>2,733,337</u>	<u>1,521,459</u>

ACCURA ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

8. Creditors: Amounts falling due within one year

	30 June 2019 £	31 March 2018 £
Bank overdrafts	396,643	-
Payments received on account	10,678	29,185
Trade creditors	632,616	936,052
Corporation tax	119,377	124,805
Other taxation and social security	304,879	297,853
Obligations under finance lease and hire purchase contracts	49,731	110,737
Other creditors	49,728	5,171
Accruals and deferred income	476,691	378,876
	<u>2,040,343</u>	<u>1,882,679</u>

Details of security held

There is a Cross Guarantee dated 25 July 2018 given by Connexion Precision Technologies Limited, Connexion Precision Finance Limited and Accura Engineering Limited.

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

	30 June 2019 £	31 March 2018 £
Net obligations under finance leases and hire purchase contracts	45,069	110,365
	<u>45,069</u>	<u>110,365</u>

Amounts included in "Obligations under finance lease and hire purchase contracts" are secured on the assets to which those contracts relate.

ACCURA ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

10. Deferred taxation

	2019 £	2018 £
At beginning of year	129,717	129,717
Charged to profit or loss	(75,669)	-
At end of year	54,048	129,717

The deferred tax asset is made up as follows:

	30 June 2019 £	31 March 2018 £
Accelerated capital allowances	44,995	41,940
Tax losses carried forward	9,053	87,777
	54,048	129,717

11. Share capital

	30 June 2019 £	31 March 2018 £
Allotted, called up and fully paid		
8,429,176 (2018 - 20,000) Ordinary shares of £1.00 each	8,429,176	20,000

During the year, the company issued 8,409,176 ordinary shares of £1 each at par.

12. Contingent liabilities

The Company is party to Cross Guarantees as security for the bank borrowings of its fellow group companies, as detailed in note 8. At 30 June 2019 the potential liability under these guarantees amounted to £8,423,232.

As noted in note 14, the obligation for the fellow group companies to repay the bank borrowings of £8,423,232 was released in September 2020 as part of the new working capital facilities agreement.

ACCURA ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

13. Commitments under operating leases

At 30 June 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	30 June 2019 £	<i>31 March 2018 £</i>
Not later than 1 year	199,398	223,336
Later than 1 year and not later than 5 years	77,168	292,832
	<u>276,566</u>	<u>516,168</u>

14. Post balance sheet events

In December 2019, a novel strain of coronavirus surfaced, and by the end of January 2020, it had spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the Company could be materially adversely affected. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

On 12 June 2020, the shareholders passed a written resolution to reduce the company's share capital. This has reduced the share capital from £8,429,176 to £20,000, this reduction has cancelled and extinguished 8,409,176 ordinary shares of £1 each that were registered in the name of Connexion Precision Finance Limited. There was no cash impact upon the business as a result of this transaction.

During September 2020, the Directors approved working capital facilities from a new lender which would enable the company to grow in accordance with its business plan and continue to make investment in modern equipment and continue to develop key process improvements. The agreement to bring the new working capital facilities to the company meant also that the parent companies were released from their obligations regarding term loans of £8,223,232.

15. Controlling party

The company is a wholly owned subsidiary of Connexion Precision Finance Limited, a company registered in England and Wales. Their registered office is One Eleven, Edmund Street, Birmingham, B3 2HJ. The ultimate parent company is Connexion Precision Technologies Limited which owns 100% of the share capital in Connexion Precision Finance Limited. The results of the company are not included in any group accounts.