Companies House

(Auditing) Limited
Registered Auditors

COMPANY REGISTRATION NUMBER: 02156126

A & W Precision Tools Limited

Financial Statements

30 June 2021

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A13 30/03/2022 #290
COMPANIES HOUSE

ACCA

Registered in England & Wales
Dominique House 1 Church Road Netherton Dudley West Midlands DY2 0LY
Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants

A & W Precision Tools Limited

Financial Statements

Period from 1 October 2020 to 30 June 2021

Contents	Page
Director's report	1
Independent auditor's report to the members	3
Statement of income and retained earnings	8
Statement of financial position	9
Statement of cash flows	10
Notes to the financial statements	11

A & W Precision Tools Limited

Director's Report

Period from 1 October 2020 to 30 June 2021

The director presents his report and the financial statements of the company for the period ended 30 June 2021.

Principal activities

The principal activity of the company continued to be that of tool making.

Change of accounting period

The company's accounting period was shortened by three months from 30 September 2021 to 30 June 2021 in order to have comparable year ends with both the parent company and the ultimate controlling party.

Directors

The directors who served the company during the period were as follows:

Mrs M Acton
Mr P Acton

Director's responsibilities statement

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies 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 director is 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. He is 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.

Director's Report *(continued)*

Period from 1 October 2020 to 30 June 2021

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 15 March 2022 and signed on behalf of the board by:

Mr P Acton
Director

Registered office:
St. Johns Court
St. Johns Road
Stourbridge
England
DY8 1EH

Independent Auditor's Report to the Members of A & W Precision Tools Limited

Period from 1 October 2020 to 30 June 2021

Qualified opinion

We have audited the financial statements of A & W Precision Tools Limited (the 'company') for the period ended 30 June 2021 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

Limitation of scope

We were not appointed as auditors of the company until 31st July 2021. Accordingly we have not audited financial statements for the period ended 30th September 2020. There were no satisfactory audit procedures that we could apply to verify some of the comparative figures, although we are satisfied that the majority of the opening balances at 1st October 2020 were reasonably accurate.

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 qualified 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

Independent Auditor's Report to the Members of A & W Precision Tools Limited
(continued)

Period from 1 October 2020 to 30 June 2021

Emphasis of matter

The accompanying financial statements have been prepared assuming that the company will continue as a going concern.

We draw attention to note 3 of the financial statements describing the directors assessment of going concern.

Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of A & W Precision Tools Limited
(continued)

Period from 1 October 2020 to 30 June 2021

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 director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemptions in preparing the director's report and from the requirement to prepare a strategic report.

Responsibilities of the director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report to the Members of A & W Precision Tools Limited
(continued)

Period from 1 October 2020 to 30 June 2021

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 this 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 reasonable be expected to influence the economic decision 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 out procedures are capable of detecting irregularities, including fraud is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

In identifying and assessing risks of material misstatement in respect to irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

a) Enquiries of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:

- Identifying, evaluating and complying with laws and regulations.
- Whether they are aware of any instances of non-compliance.

b) As with all audits performed under ISAs (UK), performance of procedures to respond to the risk of the management override of controls.

c) We obtained an understanding of the legal and regulatory frameworks in which the company operates, focusing on those laws which had a direct effect on the material balances and disclosures in the company's financial statements. Key laws and regulations considered in this context were:

- Companies Act 2006
- The Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102)

d) In addition, we considered other laws and regulations that do not have a direct effect on the financial statements, but compliance is necessary for the continued operations of the company, or to avoid a material penalty.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation.

- Enquiring of management concerning any actual or potential litigation or claims.

- Reviewing minutes of meetings of those charged with governance and correspondence with HMRC.

- In assessment of the risk of fraud through management override of controls, we have tested the appropriateness of journal entries,assessed whether the judgements made in the company making accounting estimates are indicative of a potential management bias and evaluated the business rationale of any significant transactions that are outside the normal course of business.

A further description of our responsibilities is available 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.

Martin Bradley FCCA (Senior Statutory Auditor)

For and on behalf of
GCN (Auditing) Limited
Chartered Certified Accountants & statutory auditor
Dominique House
1 Church Road
Netherton
Dudley
West Midlands
DY2 0LY

15 March 2022

A & W Precision Tools Limited

Statement of Income and Retained Earnings

Period from 1 October 2020 to 30 June 2021

	Note	Period from 1 Oct 20 to 30 Jun 21 £	Year to 30 Sep 20 £
Turnover	**4**	161,541	202,335
Cost of sales		96,487	122,252
Gross profit		65,054	80,083
Administrative expenses		50,660	71,163
Other operating income	**5**	10,078	25,290
Operating profit	**6**	24,472	34,210
Other interest receivable and similar income	**10**	15	121
Profit before taxation		24,487	34,331
Tax on profit	**11**	2,732	(21,844)
Profit for the financial period and total comprehensive income		21,755	56,175

All the activities of the company are from continuing operations.

The notes on pages 11 to 20 form part of these financial statements.

A & W Precision Tools Limited

Statement of Financial Position

30 June 2021

	Note	30 Jun 21 £	30 Sep 20 £
Fixed assets			
Tangible assets	**13**	2,634	5,858
Current assets			
Stock	**14**	1,250	3,500
Debtors	**15**	21,628	40,235
Cash at bank and in hand		71,046	63,658
		93,924	107,393
Creditors: amounts falling due within one year	**16**	27,875	37,310
Net current assets		66,049	70,083
Total assets less current liabilities		68,683	75,941
Provisions	**17**	500	1,113
Net assets		68,183	74,828
Capital and reserves			
Called up share capital	**22**	100	100
Profit and loss account		68,083	74,728
Shareholders funds		68,183	74,828

These financial statements were approved by the board of directors and authorised for issue on 15 March 2022, and are signed on behalf of the board by:

Mr P Acton
Director

Company registration number: 02156126

The notes on pages 11 to 20 form part of these financial statements.

A & W Precision Tools Limited

Statement of Cash Flows

Period from 1 October 2020 to 30 June 2021

	30 Jun 21 £	30 Sep 20 £
Cash flows from operating activities		
Profit for the financial period	21,755	56,175
Adjustments for:		
Depreciation of tangible assets	591	576
Government grant income	(10,078)	(25,290)
Other interest receivable and similar income	(15)	(121)
Gains on disposal of tangible assets	(2,068)	–
Tax on profit	2,732	(21,844)
Accrued expenses	1,943	62
Changes in:		
Stock	2,250	–
Trade and other debtors	18,607	(15,125)
Trade and other creditors	(14,019)	16,419
Cash generated from operations	21,698	10,852
Interest received	15	121
Tax received	–	11,167
Net cash from operating activities	21,713	22,140
Cash flows from investing activities		
Proceeds from sale of tangible assets	4,701	–
Net cash from investing activities	4,701	–
Cash flows from financing activities		
Proceeds from borrowings	(704)	704
Government grant income	10,078	25,290
Dividends paid	(28,400)	(24,600)
Net cash (used in)/from financing activities	(19,026)	1,394
Net increase in cash and cash equivalents	7,388	23,534
Cash and cash equivalents at beginning of period	63,658	40,124
Cash and cash equivalents at end of period	71,046	63,658

The notes on pages 11 to 20 form part of these financial statements.

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is St. Johns Court, St. Johns Road, Stourbridge, DY8 1EH, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company and fellow group undertakings have produced after date management accounts and forecasts that take into consideration the possible downturn in trade as a result of the COVID 19 pandemic and its impact on the global economy. These demonstrate that the company may be vulnerable in the current financial year with reduced profits and cash in the year ended 30 June 2022 and beyond. There is also uncertainty surrounding the future impact of the United Kingdom leaving the EU on the 31 December 2020. The parent company has also confirmed that it is their intention to continue to operate and support the company within their group for the long term and that they have adequate cash reserves to do this.
On this basis the directors consider that the company will continue to operate, however there can be no certainty in relation to these matters. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments which could result from a prolonged downturn in business of the company and subsequent withdrawal of the parent company's support.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Ascentiar plc which can be obtained from St. Johns Court, St. Johns Road, Stourbridge, West Midlands As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:
(a) Disclosures in respect of each class of share capital have not been presented.(b) Disclosures in respect of share-based payments have not been presented.(c) No disclosure has been given for the aggregate remuneration of key management personnel

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	10% straight line per annum
Fixtures and fittings	-	10% straight line per annum
Motor vehicles	-	25% reducing balance per annum

3. **Accounting policies** *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. Accounting policies *(continued)*

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Sale of goods	161,541	202,335

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Government grant income	10,078	25,290

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Depreciation of tangible assets	591	576
Gains on disposal of tangible assets	(2,068)	–
Impairment of trade debtors	–	1,621

7. Auditor's remuneration

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Fees payable for the audit of the financial statements	2,000	–

8. Staff costs

The average number of persons employed by the company during the period, including the director, amounted to:

	30 Jun 21	30 Sep 20
	No.	No.
Production staff	5	5
Management staff	2	2
	7	7

The aggregate payroll costs incurred during the period, relating to the above, were:

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Wages and salaries	82,264	100,067
Social security costs	1,809	1,317
Other pension costs	4,882	1,186
	88,955	102,570

9. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Remuneration	22,834	26,341

10. Other interest receivable and similar income

	Period from 1 Oct 20 to 30 Jun 21	Year to 30 Sep 20
	£	£
Interest on cash and cash equivalents	15	121

11. Tax on profit

Major components of tax expense/(income)

	Period from 1 Oct 20 to 30 Jun 21 £	Year to 30 Sep 20 £
Current tax:		
UK current tax expense	3,345	6,514
Adjustments in respect of prior periods	–	(28,395)
Total current tax	3,345	(21,881)
Deferred tax:		
Origination and reversal of timing differences	(613)	37
Tax on profit	2,732	(21,844)

Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the period is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	Period from 1 Oct 20 to 30 Jun 21 £	Year to 30 Sep 20 £
Profit on ordinary activities before taxation	24,487	34,331
Profit on ordinary activities by rate of tax	4,652	6,523
Adjustment to tax charge in respect of prior periods	(1,939)	(28,395)
Effect of expenses not deductible for tax purposes	19	28
Tax on profit	2,732	(21,844)

12. Dividends

	30 Jun 21 £	30 Sep 20 £
Dividends paid during the period (excluding those for which a liability existed at the end of the prior period)	28,400	24,600

13. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	**Total £**
Cost				
At 1 October 2020	174,284	3,187	4,750	182,221
Disposals	(2,700)	–	–	(2,700)
At 30 June 2021	171,584	3,187	4,750	179,521
Depreciation				
At 1 October 2020	168,960	3,187	4,216	176,363
Charge for the period	492	–	99	591
Disposals	(67)	–	–	(67)
At 30 June 2021	169,385	3,187	4,315	176,887
Carrying amount				
At 30 June 2021	2,199	–	435	2,634
At 30 September 2020	5,324	–	534	5,858

14. Stock

	30 Jun 21 £	30 Sep 20 £
Stock	1,250	3,500

15. Debtors

	30 Jun 21 £	30 Sep 20 £
Trade debtors	20,252	34,150
Prepayments and accrued income	1,376	3,074
Other debtors	–	3,011
	21,628	40,235

All amounts under debtors fall due for payment within one year.

16. Creditors: amounts falling due within one year

	30 Jun 21 £	30 Sep 20 £
Trade creditors	57	9,096
Accruals and deferred income	4,407	2,464
Corporation tax	9,859	6,514
Social security and other taxes	13,200	18,532
Director loan accounts	–	704
Other creditors	352	–
	27,875	37,310

17. Provisions

	Deferred tax (note 18)
	£
At 1 October 2020	1,113
Charge against provision	(613)
At 30 June 2021	500

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	30 Jun 21	30 Sep 20
	£	£
Included in provisions (note 17)	500	1,113

The deferred tax account consists of the tax effect of timing differences in respect of:

	30 Jun 21	30 Sep 20
	£	£
Accelerated capital allowances	500	1,113

19. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £4,882 (2020: £1,186).

20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	30 Jun 21	30 Sep 20
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	10,078	25,290

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	30 Jun 21	30 Sep 20
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	91,298	97,808
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	57	9,096

22. Called up share capital

Issued, called up and fully paid

	30 Jun 21		30 Sep 20	
	No.	**£**	No.	£
Ordinary shares of £1 each	100	100	100	100

23. Analysis of changes in net debt

	At 1 Oct 2020	Cash flows	**At 30 Jun 2021**
	£	£	**£**
Cash at bank and in hand	63,658	7,388	71,046
Debt due within one year	(704)	704	–
	62,954	8,092	71,046

24. Related party transactions

All transations with the company's parent company, Black Country Pressings Ltd, were undertaken under normal trading conditions and as such are not required to be disclosed in these financial statements as group consolidated accounts are to be prepared.

25. Controlling party

The controlling party is Black Country Pressings Limited by virtue of their ownership of 100% of the issued share capital in the company.

The ultimate controlling party is Ascentiar plc. The consolidated accounts for Ascentiar plc can be obtained from the company's registered office - St. Johns Court, St. Johns Road, Stourbridge, West Midlands, DY8 1EH.