

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

AARON MANUFACTURING LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022

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BALANCE SHEET
31 DECEMBER 2022

| | | 2022 | | 2021 | |
|--|-------|----------------|------------------|----------------|-----------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 4 | | 300,365 | | 359,640 |
| Current assets | | | | | |
| Stocks | | 21,906 | | 34,688 | |
| Debtors | 5 | 378,231 | | 441,510 | |
| Cash at bank | | <u>418,403</u> | | <u>230,221</u> | |
| | | 818,540 | | 706,419 | |
| Creditors | | | | | |
| Amounts falling due within one year | 6 | <u>113,375</u> | | <u>106,142</u> | |
| Net current assets | | | <u>705,165</u> | | <u>600,277</u> |
| Total assets less current liabilities | | | <u>1,005,530</u> | | <u>959,917</u> |
| Creditors | | | | | |
| Amounts falling due after more than one year | 7 | | (90,955) | | (122,884) |
| Provisions for liabilities | 9 | | <u>(44,323)</u> | | <u>(58,317)</u> |
| Net assets | | | <u>870,252</u> | | <u>778,716</u> |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | 100 | | 100 |
| Retained earnings | | | <u>870,152</u> | | <u>778,616</u> |
| Shareholders' funds | | | <u>870,252</u> | | <u>778,716</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued
31 DECEMBER 2022

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of comprehensive income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 25 July 2023 and were signed on its behalf by:

Mr L Coulling - Director

Mr A Coulling - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Statutory information

Aaron Manufacturing Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 03800136. The Registered Office and business address is Unit K/L, 25-27 Willis Way, Fleets Industrial Estate, Poole, BH15 3TD.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents work undertaken in respect of precision engineering services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|-----------------------|---------------------------|
| Plant and machinery | - 25% on reducing balance |
| Fixtures and fittings | - 25% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

Stocks

Stock and Work In Progress are valued at the lower of cost and net realisable value.

Taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies - continued

Financial instruments

Basic financial instruments are initially recognised at transaction price and accounted for according to the substance of the contractual arrangement, as either financial assets, liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company, after deducting all liabilities.

At each balance sheet date, financial instruments are measured at amortised cost using the effective interest method. Any losses arising from impairment are recognised in the profit and loss account in the period to which they relate.

3. Employees and directors

The average number of employees during the year was 20 (2021 - 17) .

4. Tangible fixed assets

| | Plant and machinery £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|------------------------|--------------------------------------|--|---------------------------------|---------------------|
| Cost | | | | |
| At 1 January 2022 | 1,750,630 | 33,041 | 221,049 | 2,004,720 |
| Additions | 3,866 | 35,194 | - | 39,060 |
| Disposals | - | - | (46,945) | (46,945) |
| At 31 December 2022 | <u>1,754,496</u> | <u>68,235</u> | <u>174,104</u> | <u>1,996,835</u> |
| Depreciation | | | | |
| At 1 January 2022 | 1,544,152 | 26,155 | 74,773 | 1,645,080 |
| Charge for year | 52,587 | 3,004 | 34,511 | 90,102 |
| Eliminated on disposal | - | - | (38,712) | (38,712) |
| At 31 December 2022 | <u>1,596,739</u> | <u>29,159</u> | <u>70,572</u> | <u>1,696,470</u> |
| Net book value | | | | |
| At 31 December 2022 | <u>157,757</u> | <u>39,076</u> | <u>103,532</u> | <u>300,365</u> |
| At 31 December 2021 | <u>206,478</u> | <u>6,886</u> | <u>146,276</u> | <u>359,640</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Tangible fixed assets - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Plant and machinery £ | Motor vehicles £ | Totals £ |
|-----------------------|-----------------------------|------------------------|-------------|
| Cost | | | |
| At 1 January 2022 | 120,000 | 134,800 | 254,800 |
| Transfer to ownership | (120,000) | - | (120,000) |
| At 31 December 2022 | - | 134,800 | 134,800 |
| Depreciation | | | |
| At 1 January 2022 | 82,031 | 2,808 | 84,839 |
| Charge for year | - | 32,998 | 32,998 |
| Transfer to ownership | (82,031) | - | (82,031) |
| At 31 December 2022 | - | 35,806 | 35,806 |
| Net book value | | | |
| At 31 December 2022 | - | 98,994 | 98,994 |
| At 31 December 2021 | 37,969 | 131,992 | 169,961 |

5. Debtors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 331,921 | 294,263 |
| Directors' current accounts | 8,527 | 61,708 |
| Tax | 24,374 | 74,291 |
| Prepayments and accrued income | 13,409 | 11,248 |
| | <u>378,231</u> | <u>441,510</u> |

6. Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|---------------------------------|----------------|----------------|
| Hire purchase contracts | 23,124 | 34,952 |
| Trade creditors | 5,930 | 3,299 |
| Social security and other taxes | 12,024 | 9,493 |
| VAT | 33,492 | 30,217 |
| Pension creditor | 1,556 | 1,337 |
| Other creditors | 8,805 | 8,805 |
| Directors' current accounts | 5,935 | - |
| Accruals and deferred income | 22,509 | 18,039 |
| | <u>113,375</u> | <u>106,142</u> |

7. Creditors: amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|-------------------------|---------------|----------------|
| Hire purchase contracts | 86,553 | 109,676 |
| Other creditors | 4,402 | 13,208 |
| | <u>90,955</u> | <u>122,884</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Secured debts

The following secured debts are included within creditors:

| | 2022 £ | 2021 £ |
|-------------------------|----------------|----------------|
| Hire purchase contracts | <u>109,677</u> | <u>144,628</u> |

Hire purchase liabilities are secured against the assets to which they relate.

9. Provisions for liabilities

| | 2022 £ | 2021 £ |
|--|---------------|---------------------|
| Deferred tax | | |
| Accelerated capital allowances | <u>44,323</u> | <u>58,317</u> |
| | | Deferred tax |
| | | £ |
| Balance at 1 January 2022 | | 58,317 |
| Credit to Income statement during year | | (13,994) |
| Balance at 31 December 2022 | | <u>44,323</u> |

10. Called up share capital

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2022 £ | 2021 £ |
|---------|----------|----------------|------------|------------|
| 100 | Ordinary | £1 | <u>100</u> | <u>100</u> |

11. Directors' advances, credits and guarantees

The following advances and credits to directors subsisted during the years ended 31 December 2022 and 31 December 2021:

| | 2022 £ | 2021 £ |
|--------------------------------------|----------------|---------------|
| Mr L Coulling | | |
| Balance outstanding at start of year | 24,942 | 18,001 |
| Amounts advanced | 64,976 | 65,592 |
| Amounts repaid | (95,852) | (58,651) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>(5,934)</u> | <u>24,942</u> |
| Mr A Coulling | | |
| Balance outstanding at start of year | 36,766 | 30,770 |
| Amounts advanced | 67,613 | 64,647 |
| Amounts repaid | (95,852) | (58,651) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>8,527</u> | <u>36,766</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. **Directors' advances, credits and guarantees - continued**

These balances were repaid within 9 months of the year end.

12. **Ultimate controlling party**

The company is under the control of its directors who are also shareholders. No one shareholder is deemed to have control by virtue of their shareholding.

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.