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**AEROSPACE TOOLING LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**



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## AEROSPACE TOOLING LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	M Rutten (Resigned 31 May 2023) W K Picken (Resigned 30 April 2023) D W Harris D J Halliday (Resigned 28 March 2023) D M Macleod K L Mitchell (Appointed 1 May 2023) A M Crofton B Pratt (Appointed 10 July 2023)
<b>Registered number</b>	06045956
<b>Registered office</b>	Charles Lake House Claire Causeway Crossways Business Park Dartford Kent DA2 6QA
<b>Independent auditors</b>	Barnes Roffe LLP Chartered Accountants and Statutory Auditor Charles Lake House Claire Causeway Crossways Business Park Dartford Kent DA2 6QA
<b>Bankers</b>	HSBC 39 High Street Ashford Kent TN24 8TG



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**AEROSPACE TOOLING LIMITED**

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## AEROSPACE TOOLING LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023

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#### Introduction

The directors present their strategic report to accompany the financial statements for the year ended 30 June 2023.

#### Business review

Turnover fell year on year by £206k largely due to the reduction of a single programme of work. Profitability also came under pressure in the face of rising inflation, increased energy prices and supply chain cost increases. The company has put in place mitigation for these issues in the coming year and has a clear strategy in place to return to growth. We look forward to making further progress in the coming year.

#### Principal risks and uncertainties

The directors regularly monitor and review the key risks of the business. These are considered to relate to:

- the ongoing impact of inflation and high energy prices
- the efficiency and timeliness of the global supply chain
- the increasing cost of finance

#### Financial key performance indicators

The directors consider that disclosure is not required of any key financial performance indicators for an understanding of the business other than is given by the information within these financial statements.

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

**D W Harris**

Director

Date: 26 October 2023



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## AEROSPACE TOOLING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

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The directors present their report and the financial statements for the year ended 30 June 2023.

#### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make 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.

#### Results and dividends

The profit for the year, after taxation, amounted to £262,455 (2022 - £967,353).

No dividends were voted during the year ( 2022 - £Nil )

#### Directors

The directors who served during the year were:

M Rutten (Resigned 31 May 2023)  
W K Picken (Resigned 30 April 2023)  
D W Harris  
D J Halliday (Resigned 28 March 2023)  
D M Macleod  
K L Mitchell (Appointed 1 May 2023)  
A M Crofton

#### Future developments

We intend to expand our services to offer complementary products which will contribute to the growth in turnover.



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**AEROSPACE TOOLING LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

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**Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**Auditors**

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

**D W Harris**

Director

Date: 26 October 2023



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEROSPACE TOOLING LIMITED**

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**Opinion**

We have audited the financial statements of Aerospace Tooling Limited (the 'company') for the year ended 30 June 2023, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for 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 Auditors' 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**

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.



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEROSPACE TOOLING LIMITED (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEROSPACE TOOLING LIMITED (CONTINUED)

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**Auditors' 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 Auditors' 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience of the construction and hire industry which the company operates in;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, are as follows:
  - o Companies Act 2006
  - o FRS102
  - o Health and Safety legislation
  - o Employment legislation
  - o Tax legislation
  - o Scottish Environmental Protection Agency; and
  - o Control of substances hazardous to health compliant.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing board minutes and inspecting relevant correspondence; and
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit; and

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates, including stock provisions and the useful economic lives of tangible fixed assets, were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEROSPACE TOOLING LIMITED (CONTINUED)

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The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' 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.

Mario Ciantanni (Senior statutory auditor)  
for and on behalf of  
**Barnes Roffe LLP**  
Chartered Accountants and Statutory Auditor  
Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

Date: 31 October 2023



**AEROSPACE TOOLING LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 £	2022 £
Turnover	4	7,199,831	7,406,168
Cost of sales		(3,398,762)	(2,863,156)
<b>Gross profit</b>		<b>3,801,069</b>	<b>4,543,012</b>
Administrative expenses		(3,482,027)	(3,491,039)
<b>Operating profit</b>	5	<b>319,042</b>	<b>1,051,973</b>
Interest receivable and similar income	9	7,032	40
Interest payable and similar expenses	10	(26,384)	(21,444)
<b>Profit before tax</b>		<b>299,690</b>	<b>1,030,569</b>
Tax on profit	11	(37,235)	(63,216)
<b>Profit for the financial year</b>		<b>262,455</b>	<b>967,353</b>

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 12 to 28 form part of these financial statements.



**AEROSPACE TOOLING LIMITED**  
**REGISTERED NUMBER: 06045956**

**BALANCE SHEET**  
**AS AT 30 JUNE 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	12	1,103,997	1,188,991
Tangible assets	13	1,239,646	1,186,280
		<u>2,343,643</u>	<u>2,375,271</u>
<b>Current assets</b>			
Stocks	14	462,386	391,799
Debtors	15	9,144,240	8,770,915
Cash at bank and in hand	16	365,143	610,953
		<u>9,971,769</u>	<u>9,773,667</u>
Creditors: amounts falling due within one year	17	(1,095,892)	(1,224,328)
<b>Net current assets</b>		<u>8,875,877</u>	<u>8,549,339</u>
<b>Total assets less current liabilities</b>		<u>11,219,520</u>	<u>10,924,610</u>
Creditors: amounts falling due after more than one year	18	(127,268)	(181,675)
<b>Provisions for liabilities</b>			
Deferred tax	21	(306,360)	(219,498)
		<u>(306,360)</u>	<u>(219,498)</u>
<b>Net assets</b>		<u>10,785,892</u>	<u>10,523,437</u>
<b>Capital and reserves</b>			
Called up share capital	22	1,000	1,000
Profit and loss account		10,784,892	10,522,437
		<u>10,785,892</u>	<u>10,523,437</u>

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

**D W Harris**  
Director

**D M Macleod**  
Director

Date: 26 October 2023

The notes on pages 12 to 28 form part of these financial statements.



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**AEROSPACE TOOLING LIMITED**  
**REGISTERED NUMBER: 06045956**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 JUNE 2023**

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AEROSPACE TOOLING LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2023

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	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2022	1,000	10,522,437	10,523,437
Profit for the year	-	262,455	262,455
<b>At 30 June 2023</b>	<b>1,000</b>	<b>10,784,892</b>	<b>10,785,892</b>

The notes on pages 12 to 28 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022

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	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2021	1,000	9,555,084	9,556,084
Profit for the year	-	967,353	967,353
<b>At 30 June 2022</b>	<b>1,000</b>	<b>10,522,437</b>	<b>10,523,437</b>

The notes on pages 12 to 28 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**1. General information**

The company is a private company limited by shares and incorporated in England and Wales. It has its principal place of business at Site 4, Piper Street, Baldovie Industrial Estate, Dundee DD4 0NT. The company's principal activity is the manufacture and repair of turbine components.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Aerospace Tooling Corporation Limited as at 30 June 2023 and these financial statements may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ..



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.3 Foreign currency translation**

**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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**2.4 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 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:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.5 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to profit or loss 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.

**2.6 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.

**2.7 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

**2.8 Interest income**

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

**2.9 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.

**2.10 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.11 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**2.12 Current and deferred 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.

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 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 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.14 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases:

Plant and machinery	- 10% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 10/25% straight line

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 profit or loss.

**2.15 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 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.

**2.16 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.17 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.

**2.18 Invoice discounting**

The company discounts its trade debts. The accounting policy is to include trade debtors discounted with recourse under trade debtors due within one year and to record the returnable element of the proceeds under creditors due within one year. Discount fees are charged to the profit and loss account when payable. Bad debts are borne by the company and charged to the profit and loss account where reasonably foreseeable.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**2. Accounting policies (continued)**

**2.19 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.20 Provisions for liabilities**

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.

**2.21 Financial instruments**

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

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

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

The areas in the financial statements where these judgements and estimates have been made include the following:

1. The company makes key assumptions regarding the useful economic life of both intangible and tangible fixed assets and this is further described in notes 2.13 and 2.14 respectively.
2. The company makes key assumptions in determining the valuation of intangible fixed assets based on a percentage of staff costs attributable to specific qualifying projects based on an estimate of the time spent working on these projects.
3. The company makes key assumptions in determining a provision for slow moving raw materials based on the date that specific raw materials were last used.
4. The company makes key assumptions in determining the valuation of work in progress using an hourly overhead rate which is calculated based on an estimate of operatives chargeable hours worked.



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**AEROSPACE TOOLING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**4. Turnover**

Analysis of turnover by geographic destination:

	2023 £	2022 £
United Kingdom	5,244,309	5,185,075
Rest of the world	1,955,522	2,221,093
	<u>7,199,831</u>	<u>7,406,168</u>

**5. Operating profit**

The operating profit is stated after charging:

	2023 £	2022 £
Other operating lease rentals	<u>150,901</u>	<u>178,715</u>

**6. Auditors' remuneration**

During the year, the company obtained the following services from the company's auditors:

	2023 £	2022 £
Fees payable to the company's auditors for the audit of the company's financial statements	<u>13,140</u>	<u>12,760</u>



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**AEROSPACE TOOLING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**7. Employees**

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

	2023 £	2022 £
Wages and salaries	2,722,716	2,397,515
Social security costs	323,198	286,998
Cost of defined contribution scheme	88,121	79,487
	<u>3,134,035</u>	<u>2,764,000</u>

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

	2023 No.	2022 No.
Shop floor	54	54
Admin	26	26
Directors	4	4
	<u>84</u>	<u>84</u>

**8. Directors' remuneration**

	2023 £	2022 £
Directors' emoluments	361,368	371,216
Company contributions to defined contribution pension schemes	8,759	6,981
	<u>370,127</u>	<u>378,197</u>

During the year retirement benefits were accruing to 3 directors (2022 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £136,517 (2022 - £134,780).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,321 (2022 - £1,321).



**AEROSPACE TOOLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**9. Interest receivable**

	2023 £	2022 £
Other interest receivable	7,032	40
	<u>7,032</u>	<u>40</u>

**10. Interest payable and similar expenses**

	2023 £	2022 £
Bank interest payable	5,306	5,320
Finance leases and hire purchase contracts	14,544	9,173
Other interest payable	6,534	6,951
	<u>26,384</u>	<u>21,444</u>

**11. Taxation**

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	(49,627)	79,635
	<u>(49,627)</u>	<u>79,635</u>
<b>Total current tax</b>	<u>(49,627)</u>	<u>79,635</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	86,862	(16,419)
	<u>86,862</u>	<u>(16,419)</u>
<b>Total deferred tax</b>	<u>86,862</u>	<u>(16,419)</u>
<b>Tax on profit</b>	<u>37,235</u>	<u>63,216</u>



**AEROSPACE TOOLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**11. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *lower than*) the standard rate of corporation tax in the UK of 25% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>299,690</u>	<u>1,030,569</u>
Profit on ordinary activities multiplied by effective rate of corporation tax in the UK of 20.5% (2022 - 19%)	61,436	195,808
<b>Effects of:</b>		
Non-allowable amortisation of goodwill and impairment	68,209	71,162
Expenses not deductible/(income not chargeable) for tax purposes, other than goodwill amortisation and impairment	(1,606)	(4)
Depreciation for year in excess of/(lower than) capital allowances	(21,896)	7,304
R&D tax credits/relief	(159,689)	(177,745)
Group relief	-	(16,890)
Movement in deferred tax provision	86,862	(16,419)
Adjustments to tax charge in respect of prior periods	3,919	-
<b>Total tax charge for the year</b>	<u>37,235</u>	<u>63,216</u>

**Factors that may affect future tax charges**

There are no factors that may affect future tax charges.



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AEROSPACE TOOLING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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12. Intangible assets

	Development costs £
<b>Cost</b>	
At 1 July 2022	5,298,111
Additions	486,937
	<hr/>
At 30 June 2023	5,785,048
	<hr/>
<b>Amortisation</b>	
At 1 July 2022	4,109,120
Charge for the year on owned assets	571,931
	<hr/>
At 30 June 2023	4,681,051
	<hr/>
<b>Net book value</b>	
At 30 June 2023	<u>1,103,997</u>
<i>At 30 June 2022</i>	<u><u>1,188,991</u></u>



**AEROSPACE TOOLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**13. Tangible fixed assets**

	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 July 2022	3,607,161	55,990	469,681	4,132,832
Additions	224,557	49,700	38,981	313,238
Disposals	-	(55,990)	-	(55,990)
At 30 June 2023	<u>3,831,718</u>	<u>49,700</u>	<u>508,662</u>	<u>4,390,080</u>
<b>Depreciation</b>				
At 1 July 2022	2,602,581	38,640	305,331	2,946,552
Charge for the year on owned assets	170,315	11,227	71,171	252,713
Charge for the year on financed assets	-	1,035	-	1,035
Disposals	-	(49,866)	-	(49,866)
At 30 June 2023	<u>2,772,896</u>	<u>1,036</u>	<u>376,502</u>	<u>3,150,434</u>
<b>Net book value</b>				
At 30 June 2023	<u>1,058,822</u>	<u>48,664</u>	<u>132,160</u>	<u>1,239,646</u>
<b>At 30 June 2022</b>	<u>1,004,580</u>	<u>17,350</u>	<u>164,350</u>	<u>1,186,280</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, is as follows:

	2023 £	2022 £
Plant and machinery	175,987	207,507
Motor vehicles	48,665	17,351
	<u>224,652</u>	<u>224,858</u>



**AEROSPACE TOOLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**14. Stocks**

	2023 £	2022 £
Raw materials and consumables	250,041	190,032
Work in progress	212,345	201,767
	<u>462,386</u>	<u>391,799</u>

**15. Debtors**

	2023 £	2022 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	7,620,685	7,299,180
	<u>7,620,685</u>	<u>7,299,180</u>
<b>Due within one year</b>		
Trade debtors	1,431,825	1,357,676
Other debtors	49,702	-
Prepayments and accrued income	42,028	114,059
	<u>9,144,240</u>	<u>8,770,915</u>

**16. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	365,143	610,953
Less: bank overdrafts	(215,659)	(82,945)
	<u>149,484</u>	<u>528,008</u>



**AEROSPACE TOOLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**17. Creditors: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	<b>215,659</b>	82,945
Bank loans	<b>33,333</b>	92,704
Trade creditors	<b>472,015</b>	500,750
Corporation tax	-	79,564
Other taxation and social security	<b>154,533</b>	221,627
Obligations under finance lease and hire purchase contracts	<b>48,829</b>	50,960
Other creditors	<b>171,523</b>	195,778
	<b><u>1,095,892</u></b>	<b><u>1,224,328</u></b>

Bank loans and the invoice discounting facility are secured by way of a fixed and floating charge over all the assets and undertakings of the company.

Obligations under hire purchase contracts are secured over the assets to which they relate.

**18. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans	-	40,629
Net obligations under finance leases and hire purchase contracts	<b>127,268</b>	141,046
	<b><u>127,268</u></b>	<b><u>181,675</u></b>



**AEROSPACE TOOLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**19. Loans**

Analysis of the maturity of loans is given below:

	2023 £	2022 £
<b>Amounts falling due within one year</b>		
Bank loans	33,333	92,704
	<u>33,333</u>	<u>92,704</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	40,629
	<u>-</u>	<u>40,629</u>
	<u>33,333</u>	<u>133,333</u>

**20. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Within one year	110,000	50,960
Between 1-5 years	210,833	141,046
	<u>320,833</u>	<u>192,006</u>

**21. Deferred taxation**

	2023 £	2022 £
At beginning of year	(219,498)	(235,917)
Charged to profit or loss	(86,862)	16,419
<b>At end of year</b>	<u>(306,360)</u>	<u>(219,498)</u>



# AEROSPACE TOOLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 21. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(306,360)	(219,498)
	<u>(306,360)</u>	<u>(219,498)</u>

### 22. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
1,000 (2022 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

### 23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £88,121 (2022 - £79,487). Contributions totalling £14,905 ( 2022 - £16,344 ) were payable to the fund at the balance sheet date.

### 24. Commitments under operating leases

At 30 June 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	130,500	129,167
Later than 1 year and not later than 5 years	227,917	320,833
	<u>358,417</u>	<u>450,000</u>

### 25. Related party transactions

The company has taken advantage of the exemption afforded by FRS102 from the disclosure of transactions with entities that are part of the group on the grounds that it is a wholly owned subsidiary and consolidated financial statements of the group will be publicly available at Companies House, Crown Way, Cardiff, CF14 3UZ.



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**AEROSPACE TOOLING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**26. Controlling party**

The ultimate parent company is Aerospace Tooling Corporation Limited, a company registered in England and Wales. There is no single controlling party of the parent 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.