

Registered number: 06047982

**ROESLEIN & ASSOCIATES, LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



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**ROESLEIN & ASSOCIATES, LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	S Martin G Rivera B Sneed
<b>Company secretary</b>	G Rivera
<b>Registered number</b>	06047982
<b>Registered office</b>	The View Unit C 14 Waterside Way Northampton NN4 7XD
<b>Independent auditor</b>	MHA Chartered Accountants & Statutory Auditors 2 London Wall Place London EC2Y 5AU

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**ROESLEIN & ASSOCIATES, LTD**

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## **ROESLEIN & ASSOCIATES, LTD**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Introduction**

The Directors present their strategic report of Roeslein & Associates, Ltd (the 'Company') and its subsidiary (together the 'Group') for the year ended 31 December 2022.

#### **Review of the business**

The principal activities of the Group and Company are engineering, consulting, project management, construction management and manufacturing services primarily to the beverage container manufacturing market. These services are offered on a global basis, and principally delivered in the European, North and South American markets. The Company's immediate and ultimate parent company is Roeslein & Associates, Inc., a company incorporated in the United States of America.

Activities for the year focused on completion of the company's historically largest backlog of existing projects as well as successfully navigating through challenges presented as a result of the slowdown of the can industry. The Group, with its parent company, continues to pursue domestic and international opportunities in the beverage container manufacturing market and has also branched into alternative energy, petrochemical and pharmaceutical markets.

The results for the year and financial position of the Group and Company are as shown in the financial statements.

#### **Principal risks and uncertainties**

The principal risks and uncertainties facing the business are the geopolitical unrest in Eastern Europe and Asia, rising interest rates and inflation which has resulted in our customers' reduced spending in capital investments. To mitigate some of these negative impacts, the company has branched into alternative energy, petrochemical and pharmaceutical markets and secured several projects under development. The Company is expecting to see continued growth in the renewable natural gas and traditional oil and gas industries.

The Company has no credit risk, liquidity and foreign exchange risk as it is fully funded by the parent company. The parent company ensures the entity has enough cash to fund operations.

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## ROESLEIN & ASSOCIATES, LTD

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Going concern

The financial statements are prepared on a going concern basis of accounting. The directors consider it appropriate to prepare the Group and Company financial statements on a going concern basis as Roeslein & Associates Inc., the Company's ultimate parent undertaking, has provided the Company with a signed confirmation that for at least 15 months from the date of approval of these financial statements it will provide funds required to enable the Group and Company to continue in operational existence by meeting its liabilities as they fall due for payment and will not call upon any liabilities in the 15 months following approval of accounts unless the Company has the ability to repay the amounts requested. The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

At the balance sheet date, the Group had net current assets and net assets of \$2,361,682 (2021: \$1,280,124) and \$9,240,080 (2021: \$3,455,254) respectively. For the year ended 31 December 2022, the group made a profit before tax of \$7,098,400 (2021: \$1,948,356). Reflecting on the Group's current liquidity position, with a cash balance of \$1,565,700 (2021: \$513,858) at December 2022, and considering the working capital requirements, the directors are satisfied of the Group and Company's capacity to meet its financial obligations as they arise.

The directors have prepared financial forecasts and are satisfied that the Group and Company will be able to operate at least for the next twelve months following the approval of these financial statements. The continued financial support from Roeslein & Associates Inc., including a commitment to provide additional funds, further substantiates the parent company's dedication to ensuring the Group's ability to meet its financial obligations. The directors consider the Group has sufficient funding to meet its financial obligations as they fall due. In forming this decision, the directors have taken into account the fact that the Group has a healthy cash balance, a clear understanding of its working capital needs, and assured financial support from the parent company.

The Group has sufficient funding, both in the form of available cash and committed funding from the parent to meet its financial obligations as they fall due. The financial statements are therefore prepared on the going concern basis.

#### Key Performance Indicators

The Group considers its key performance indicators ('KPI's') to be bookings, turnover and the operating result for the year. Historically, turnover represents the amounts of costs invoiced during the period to its parent undertaking at an agreed mark up rate. The Company has reported significantly higher turnover for year ended 31 December 2022 as a result of a contract received from a third-party customer for installation services instead of only services provided on behalf of the parent undertaking.

The operating result for the year was a profit of \$7,183,535 (2021: \$2,027,999).

#### Section 172 statement

The Group and Company are exempt from the requirement to prepare a Section 172 statement, as the Company is not considered large under the Companies Act 2006 requirements.

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**ROESLEIN & ASSOCIATES, LTD**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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This report was approved by the board on January 22, 2024 and signed on its behalf.



**G Rivera**  
Director

Date: January 22, 2024

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**ROESLEIN & ASSOCIATES, LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

**Results and dividends**

The statement of comprehensive income is set out on page 10 and shows profit for the year.

No dividend were declared or paid during the year (2021: \$nil).

**Directors**

The directors who served during the year and after the year end were:

S Martin (appointed 10 January 2022)  
G Rivera (appointed 10 January 2022)  
B Sneed  
D May (resigned 10 January 2022)  
R Roeslein (resigned 10 January 2022)

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's and Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group or Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Future developments**

No changes in the nature of the business are expected in the foreseeable future.

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**ROESLEIN & ASSOCIATES, LTD**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Energy and carbon reporting**

The Group and Company are exempt from the requirements of the Streamlined Energy & Carbon Reporting (SECR) as the Company is not considered large under the Companies Act 2006 requirements.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Group or Company since the year end.

**Auditor**

The auditor, MHA, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Following a rebranding exercise on 15 May 2023, the trading name of the Company's independent auditor changed from MHA MacIntyre Hudson to MHA.

This report was approved by the board on January 22, 2024

and signed on its behalf.



**G Rivera**  
Director



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## ROESLEIN & ASSOCIATES, LTD

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROESLEIN & ASSOCIATES, LTD

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#### Opinion

We have audited the financial statements of Roeslein & Associates, Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated 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 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 Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Group's or the parent 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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**ROESLEIN & ASSOCIATES, LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROESLEIN & ASSOCIATES, LTD  
(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 Auditor's 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.
- The comparative figures for the Group have not been audited.

**Other matter**

The comparative figures for the Group have not been audited.

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**ROESLEIN & ASSOCIATES, LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROESLEIN & ASSOCIATES, LTD  
(CONTINUED)**

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**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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## ROESLEIN & ASSOCIATES, LTD

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROESLEIN & ASSOCIATES, LTD (CONTINUED)

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#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group 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:

- Testing the financial statement disclosures to supporting documentation, performing substantive testing on account balances which were considered to be of greater susceptibility to fraud;
- Performing targeted journal entry testing based on identified characteristics that the audit team considered to be indicative of fraud, for example credit entries to revenue without a corresponding entry to receivables, accrued income or deferred income;
- Critically assessing areas of the financial statements which include judgement and estimates, as set out in Note 3 of the financial statements;
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework, the Companies Act 2006 and relevant tax compliance regulations; and
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other corroborating evidence.

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 Auditor's report.

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**ROESLEIN & ASSOCIATES, LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROESLEIN & ASSOCIATES, LTD  
(CONTINUED)**

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**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.

*Andrew Gandell*

Andrew Gandell, FCA (Senior Statutory Auditor)  
for and on behalf of MHA, Statutory Auditor  
London, United Kingdom

Date: 23 January 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

**ROESLEIN & ASSOCIATES, LTD**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 \$	2021 Unaudited \$
Turnover	4	37,606,720	15,616,507
Cost of sales		(27,482,053)	(11,746,119)
<b>Gross profit</b>		<b>10,124,667</b>	<b>3,870,388</b>
Administrative expenses		(2,941,132)	(1,842,389)
<b>Operating profit</b>	5	<b>7,183,535</b>	<b>2,027,999</b>
Interest receivable and similar income		2	-
Interest payable and similar expenses	9	(85,137)	(79,643)
<b>Profit before taxation</b>		<b>7,098,400</b>	<b>1,948,356</b>
Tax on profit	10	(1,302,933)	(381,437)
<b>Profit for the financial year</b>		<b>5,795,467</b>	<b>1,566,919</b>
Currency translation differences		(10,641)	(68,483)
<b>Other comprehensive income for the year</b>		<b>(10,641)</b>	<b>(68,483)</b>
<b>Total comprehensive income for the year</b>		<b>5,784,826</b>	<b>1,498,436</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent Company		5,795,467	1,566,919
		<b>5,795,467</b>	<b>1,566,919</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 18 to 39 form part of these financial statements.

**ROESLEIN & ASSOCIATES, LTD**  
**REGISTERED NUMBER: 06047982**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 \$	2021 Unaudited \$
<b>Fixed assets</b>			
Intangible assets	11	58,770	63,116
Tangible assets	12	7,953,668	2,873,512
		<u>8,012,438</u>	<u>2,936,628</u>
<b>Current assets</b>			
Stocks	14	2,513,836	1,422,326
Debtors: amounts falling due within one year	15	10,831,281	3,953,259
Cash at bank and in hand		1,565,700	513,858
		<u>14,910,817</u>	<u>5,889,443</u>
Creditors: amounts falling due within one year	16	(12,549,135)	(4,609,319)
<b>Net current assets</b>		<u>2,361,682</u>	<u>1,280,124</u>
<b>Total assets less current liabilities</b>		<u>10,374,120</u>	<u>4,216,752</u>
Creditors: amounts falling due after more than one year		(495,933)	(668,596)
<b>Provisions for liabilities</b>			
Deferred taxation	18	(638,107)	(92,902)
		<u>(638,107)</u>	<u>(92,902)</u>
<b>Net assets</b>		<u><u>9,240,080</u></u>	<u><u>3,455,254</u></u>
<b>Share Capital</b>			
Called up share capital	19	199	199
Foreign exchange reserve	20	(381,734)	(371,093)
Retained earnings	20	9,621,615	3,826,148
		<u><u>9,240,080</u></u>	<u><u>3,455,254</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on January 22, 2024



**G Rivera**  
Director

The notes on pages 18 to 39 form part of these financial statements.

**ROESLEIN & ASSOCIATES, LTD**  
**REGISTERED NUMBER: 06047982**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
<b>Fixed assets</b>			
Intangible assets	11	32,483	2,383
Tangible assets	12	556,320	341,050
Investments	13	1,027,774	1,027,774
		<u>1,616,577</u>	<u>1,371,207</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	2,676,943	861,650
Cash at bank and in hand		325,356	172,895
		<u>3,002,299</u>	<u>1,034,545</u>
Creditors: amounts falling due within one year	16	(3,588,429)	(1,623,196)
<b>Net current liabilities</b>		<u>(586,130)</u>	<u>(588,651)</u>
<b>Total assets less current liabilities</b>		<u>1,030,447</u>	<u>782,556</u>
<b>Provisions for liabilities</b>			
Deferred taxation	18	(42,071)	(42,071)
		<u>(42,071)</u>	<u>(42,071)</u>
<b>Net assets excluding pension asset</b>		<u>988,376</u>	<u>740,485</u>
<b>Net assets</b>		<u>988,376</u>	<u>740,485</u>
<b>Capital and reserves</b>			
Called up share capital	19	199	199
Retained earnings	20	988,177	740,286
		<u>988,376</u>	<u>740,485</u>



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**ROESLEIN & ASSOCIATES, LTD**  
**REGISTERED NUMBER: 06047982**

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**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

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The group's profit for the year, includes a profit after tax of \$247,891 (2021: \$74,763) attributable to the parent company.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
January 22, 2024



**G Rivera**  
Director

The notes on pages 18 to 39 form part of these financial statements.

**ROESLEIN & ASSOCIATES, LTD**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital \$	Foreign exchange reserve \$	Retained earnings \$	Total equity \$
<b>At 1 January 2021 (unaudited)</b>	<b>199</b>	<b>(302,610)</b>	<b>2,259,229</b>	<b>1,956,818</b>
<b>Comprehensive income for the year</b>				
Profit for the year (unaudited)	-	-	1,566,919	1,566,919
Currency translation differences (unaudited)	-	(68,483)	-	(68,483)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(68,483)</b>	<b>1,566,919</b>	<b>1,498,436</b>
<b>At 1 January 2022 (unaudited)</b>	<b>199</b>	<b>(371,093)</b>	<b>3,826,148</b>	<b>3,455,254</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	5,795,467	5,795,467
Currency translation differences	-	(10,641)	-	(10,641)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(10,641)</b>	<b>5,795,467</b>	<b>5,784,826</b>
<b>At 31 December 2022</b>	<b>199</b>	<b>(381,734)</b>	<b>9,621,615</b>	<b>9,240,080</b>

The notes on pages 18 to 39 form part of these financial statements.

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**ROESLEIN & ASSOCIATES, LTD**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>At 1 January 2021</b>	<b>199</b>	<b>689,660</b>	<b>689,859</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	50,626	50,626
<b>At 1 January 2022</b>	<b>199</b>	<b>740,286</b>	<b>740,485</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	247,891	247,891
<b>At 31 December 2022</b>	<b>199</b>	<b>988,177</b>	<b>988,376</b>

The notes on pages 18 to 39 form part of these financial statements.

**ROESLEIN & ASSOCIATES, LTD**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 <i>Unaudited</i> \$
<b>Cash flows from operating activities</b>		
Profit for the financial year	5,795,467	1,566,919
<b>Adjustments for:</b>		
Amortisation of intangible assets	50,950	41,427
Depreciation of tangible assets	275,212	219,959
Loss on disposal of tangible assets	240,345	-
Interest payable	85,137	79,643
Interest receivable	(2)	-
Taxation charge	1,302,933	381,437
(Increase) in stocks	(1,091,510)	(1,189,775)
(Increase) in debtors	(6,857,815)	(2,275,471)
Decrease in amounts owed by groups	30,429	7,676
Increase in creditors	2,380,159	2,276,804
Increase in amounts owed to groups	4,992,933	718,241
Corporation tax paid	(363,667)	(248,200)
<b>Net cash generated from operating activities</b>	<b>6,840,571</b>	<b>1,578,660</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(46,604)	-
Purchase of tangible fixed assets	(5,786,732)	(1,376,917)
Sale of tangible fixed assets	191,019	-
<b>Net cash from investing activities</b>	<b>(5,642,317)</b>	<b>(1,376,917)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(85,127)	(79,643)
<b>Net cash used in financing activities</b>	<b>(85,127)</b>	<b>(79,643)</b>
Cash and cash equivalents at beginning of year	513,858	460,241
Foreign exchange gains and losses	(61,285)	(68,483)
<b>Cash and cash equivalents at the end of year</b>	<b>1,565,700</b>	<b>513,858</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	1,565,700	513,858

The notes on pages 18 to 39 form part of these financial statements.

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## ROESLEIN & ASSOCIATES, LTD

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

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#### 1. General information

Roeslein & Associates, Ltd is a private company limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the Group operations and its principal activities are set out in the strategic report.

#### 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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102.

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## ROESLEIN & ASSOCIATES, LTD

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

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#### 2. Accounting policies (continued)

##### 2.3 Going concern

The financial statements are prepared on a going concern basis of accounting.

At the balance sheet date, the Group had net current assets and net assets of \$2,361,682 (2021: \$1,280,124) and \$9,240,080 (2021: \$3,455,254) respectively. For the year ended 31 December 2022 the group made a profit before tax of \$7,098,400 (2021: \$1,948,356).

The directors consider it appropriate to prepare the Group and Company financial statements on a going concern basis due to the financial position and performance of the Group, and as Roeslein & Associates Inc., the Company's ultimate parent undertaking, has provided the Company with a signed confirmation that for at least 15 months from the date of approval of these financial statements it will provide funds required to enable the Group and Company to continue in operational existence by meeting its liabilities as they fall due for payment and will not call upon any liabilities in the 15 months following approval of accounts unless the company has the ability to repay the amounts requested. The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 2.4 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is USD. Figures are rounded to the nearest \$.

###### 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 Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

On consolidation, the results of overseas operations are translated into US Dollars at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

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

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**2. Accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**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 Group 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.

Revenue on contracts is recognised using the percentage of completion method. Revenue and corresponding costs are recorded based on the progress towards completing a contract, determined by comparing costs incurred to the total estimated costs, excluding future activities. This approach ensures accurate and timely reflection of our earnings and expenses in line with the contract's actual advancement.

**2.6 Operating leases: the Group 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.

**2.7 Interest income**

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

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

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**2. Accounting policies (continued)**

**2.8 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.

**2.9 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 Group in independently administered funds.

**2.10 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.



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## ROESLEIN & ASSOCIATES, LTD

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

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#### 2. Accounting policies (continued)

##### 2.11 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred

##### 2.12 Intangible assets

###### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

###### Other 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.

The estimated useful lives range as follows:

Computer Software	-	3	years
Goodwill	-	5	years

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

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**2. Accounting policies (continued)**

**2.13 Tangible fixed assets**

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 40 years
Long-term leasehold property	- 40 years
Motor vehicles	- 5 years
Fixtures and fittings	- 5 years
Equipment	- 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Assets under the course of construction are capitalised. Once ready for use the assets are transferred to the relevant category and depreciated in line with the useful economic lives set out above.

**2.14 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

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

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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

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**2. Accounting policies (continued)**

**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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.18 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.

**2.19 Financial instruments**

The Group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which

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

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**2. Accounting policies (continued)**

**2.19 Financial instruments (continued)**

is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount of values may vary in certain instances from the assumptions and estimates made.

Changes will be recorded, with corresponding effect in the Statement of Comprehensive Income, when, and if, better information is obtained.

In preparing these financial statements, the director has made the following judgements and estimates:

*· Valuation of tangible assets (Note 12)*

Determining whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Tangible fixed assets are depreciated over their useful lives taking account of residual values, where appropriate. The useful lives of the assets and residual values are re-assessed annually and may vary depending on a number of factors.

*· Stocks (Note 14)*

Stocks are regularly evaluated for impairment, considering factors such as market demand, economic viability, and expected future financial performance. This assessment determines the recoverable amount of the inventory, accounting for potential obsolescence or reduction in value

The recoverable amounts of the inventory are re-assessed annually or more frequently if significant market changes occur. This involves estimating future sales prices and associated costs. Any identified impairment losses are recognized immediately in the profit and loss account, reducing the inventory's carrying amount on the balance sheet.

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**ROESLEIN & ASSOCIATES, LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. Turnover**

An analysis of turnover by class of business is as follows:

	2022 \$	2021 \$
Manufacturing	28,937,562	10,636,866
Installation management	5,053,594	1,251,530
Construction management	1,713,027	1,897,496
Engineering services	1,486,934	1,325,852
Start up & commissioning services	285,242	337,238
Lifecycle support & management services	130,361	167,525
	<u>37,606,720</u>	<u>15,616,507</u>

Analysis of turnover by country of destination:

	2022 \$	2021 \$
United States	32,487,132	14,628,822
Rest of the world	5,119,588	987,685
	<u>37,606,720</u>	<u>15,616,507</u>

**5. Operating profit**

The operating profit is stated after charging:

	2022 \$	2021 \$
Exchange differences	493,401	166,421
Other operating lease rentals	166,783	84,854
Amortisation (note 11)	50,950	41,427
Depreciation (note 12)	246,522	219,959
Loss on disposal	240,345	-
	<u>240,345</u>	<u>-</u>

**ROESLEIN & ASSOCIATES, LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	<b>52,152</b>	-
Accounts preparation services	<b>5,728</b>	-
Tax compliance services	<b>5,547</b>	-
	<u><b>63,427</b></u>	<u><b>-</b></u>

**7. Employees**

Staff costs were as follows:

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Company 2022 \$</b>	<b>Company 2021 \$</b>
Wages and salaries	<b>3,223,658</b>	2,666,922	<b>2,766,212</b>	2,393,865
Social security costs	<b>965,933</b>	727,339	<b>368,401</b>	287,480
Cost of defined contribution scheme	<b>176,581</b>	119,483	<b>176,581</b>	119,483
	<u><b>4,366,172</b></u>	<u><b>3,513,744</b></u>	<u><b>3,311,194</b></u>	<u><b>2,800,828</b></u>

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>	<b>Company 2022 No.</b>	<b>Company 2021 No.</b>
Total	<b>162</b>	121	<b>27</b>	27

**8. Directors remuneration**

Directors are remunerated via other group company

**9. Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Bank interest payable	<b>85,137</b>	79,643
	<u><b>85,137</b></u>	<u><b>79,643</b></u>

**ROESLEIN & ASSOCIATES, LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Taxation**

	2022 \$	2021 \$
<b>Corporation tax</b>		
Current tax on profits for the year	757,728	357,300
	<u>757,728</u>	<u>357,300</u>
<b>Total current tax</b>	<u>757,728</u>	<u>357,300</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	545,205	24,137
<b>Total deferred tax</b>	<u>545,205</u>	<u>24,137</u>
<b>Tax on profit</b>	<u>1,302,933</u>	<u>381,437</u>

**Factors affecting tax charge for the year**

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

	2022 \$	2021 \$
Profit on ordinary activities before tax	7,098,400	1,948,356
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,348,696	370,188
<b>Effects of:</b>		
Capital allowances in (excess)/deficit of depreciation	(45,763)	11,249
<b>Total tax charge for the year</b>	<u>1,302,933</u>	<u>381,437</u>

**Factors that may affect future tax charges**

From 1 April 2023 the main rate of corporation tax will increase from 19% to 25%.

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ROESLEIN & ASSOCIATES, LTD

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NOTES TO THE FINANCIAL STATEMENTS  
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11. Intangible assets

Group

	Computer software \$	Goodwill \$	Total \$
<b>Cost</b>			
At 1 January 2022	25,135	157,474	182,609
Additions	46,604	-	46,604
At 31 December 2022	<u>71,739</u>	<u>157,474</u>	<u>229,213</u>
<b>Amortisation</b>			
At 1 January 2022	19,760	99,733	119,493
Charge for the year	17,417	33,533	50,950
At 31 December 2022	<u>37,177</u>	<u>133,266</u>	<u>170,443</u>
<b>Net book value</b>			
At 31 December 2022	<u>34,562</u>	<u>24,208</u>	<u>58,770</u>
At 31 December 2021	<u>5,375</u>	<u>57,741</u>	<u>63,116</u>

The directors are satisfied that the Group's intangible assets do not require provisioning for impairment.

The intangibles consist of computer software and goodwill generated from a past acquisition.



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11. Intangible assets (continued)

Company

	Computer software \$
<b>Cost</b>	
At 1 January 2022	5,048
Additions	44,006
At 31 December 2022	<u>49,054</u>
<b>Amortisation</b>	
At 1 January 2022	2,665
Charge for the year	13,906
At 31 December 2022	<u>16,571</u>
<b>Net book value</b>	
At 31 December 2022	<u>32,483</u>
At 31 December 2021	<u>2,383</u>

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**ROESLEIN & ASSOCIATES, LTD**

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

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**12. Tangible fixed assets**

**Group**

	Freehold property \$	Long-term leasehold property \$	Motor vehicles \$	Fixtures and fittings \$	Equipment \$	Assets under construction \$	Total \$
<b>Cost or valuation</b>							
At 1 January 2022	1,460,372	296,211	54,390	130,650	1,167,664	56,709	3,165,996
Additions	-	380,503	6,980	194,663	281,919	4,922,667	5,786,732
Disposals	(79,055)	(296,211)	-	(53,799)	(16,983)	(19,606)	(465,654)
At 31 December 2022	<u>1,381,317</u>	<u>380,503</u>	<u>61,370</u>	<u>271,514</u>	<u>1,432,600</u>	<u>4,959,770</u>	<u>8,487,074</u>
<b>Depreciation</b>							
At 1 January 2022	56,604	19,686	13,730	66,125	136,339	-	292,484
Charge for the year on owned assets	49,353	8,360	9,276	28,690	179,533	-	275,212
Disposals	(4,721)	(21,310)	-	(5,854)	(2,405)	-	(34,290)
<b>Net book value</b>							
At 31 December 2022	<u>1,280,081</u>	<u>373,767</u>	<u>38,364</u>	<u>182,553</u>	<u>1,119,133</u>	<u>4,959,770</u>	<u>7,953,668</u>
At 31 December 2021	<u>1,403,768</u>	<u>276,525</u>	<u>40,660</u>	<u>64,525</u>	<u>1,031,325</u>	<u>56,709</u>	<u>2,873,512</u>

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**12. Tangible fixed assets (continued)**

The net book value of assets held under finance leases or hire purchase contracts, included above, is set out below. These assets are stated net of accumulated depreciation of \$215,562 (2021: \$92,286). Within the 'Assets Under Construction', there is an amount of \$161,503 (2021: \$Nil) that represents interest capitalised from an intercompany loan from Roeslein & Associates Inc.

	2022 \$	2021 \$
Equipment	634,286	820,936
	<u>634,286</u>	<u>820,936</u>

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**12. Tangible fixed assets (continued)**

**Company**

	Long-term leasehold property \$	Furniture, fixtures and equipment \$	Total \$
<b>Cost</b>			
At 1 January 2022	296,211	130,650	426,861
Additions	380,503	194,663	575,166
Disposals	(296,211)	(53,799)	(350,010)
At 31 December 2022	<u>380,503</u>	<u>271,514</u>	<u>652,017</u>
<b>Depreciation</b>			
At 1 January 2022	19,686	66,125	85,811
Charge for the year on owned assets	8,360	28,690	37,050
Disposals	(21,310)	(5,854)	(27,164)
<b>Net book value</b>			
At 31 December 2022	<u>373,767</u>	<u>182,553</u>	<u>556,320</u>
At 31 December 2021	<u>276,525</u>	<u>64,525</u>	<u>341,050</u>

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13. Fixed asset investments

Company

	Investments in subsidiary companies \$
<b>Cost or valuation</b>	
At 1 January 2022	1,027,774
At 31 December 2022	<u>1,027,774</u>
<b>Net book value</b>	
At 31 December 2022	<u>1,027,774</u>
At 31 December 2021	<u>1,027,774</u>

The directors are satisfied that investments in subsidiaries does not require provisioning for impairment.

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**13. Fixed asset investments (continued)**

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Roeslein & Associates Poland Sp. z o. o	Debno 190, 32-852 Debno, Poland	Ordinary	100%

**14. Stocks**

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>
Work in progress	<b>2,513,836</b>	<b>1,422,326</b>
	<b><u>2,513,836</u></b>	<b><u>1,422,326</u></b>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stocks are stated net of provision of \$nil (2021: \$nil).

The company had no stocks at 31 December 2022 (2021: \$nil).

**15. Debtors**

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Company 2022 \$</b>	<b>Company 2021 \$</b>
Trade debtors	<b>2,493,700</b>	<b>734,881</b>	<b>2,493,700</b>	<b>734,881</b>
Amounts owed by group undertakings	<b>1,398,745</b>	<b>1,368,316</b>	<b>34,180</b>	<b>66,606</b>
Other debtors	<b>896,831</b>	<b>149,576</b>	<b>31,277</b>	<b>37,078</b>
Prepayments and accrued income	<b>6,042,005</b>	<b>1,690,264</b>	<b>117,786</b>	<b>12,863</b>
Tax recoverable	<b>-</b>	<b>10,222</b>	<b>-</b>	<b>10,222</b>
	<b><u>10,831,281</u></b>	<b><u>3,953,259</u></b>	<b><u>2,676,943</u></b>	<b><u>861,650</u></b>

Amounts owed by group undertakings are due on demand and unsecured.

**ROESLEIN & ASSOCIATES, LTD**

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

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

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Company 2022 \$</b>	<b>Company 2021 \$</b>
Trade creditors	636,382	31,769	636,382	31,769
Amounts owed to group undertakings	7,490,844	2,497,911	2,191,182	1,180,120
Corporation tax	503,161	109,100	-	-
Other taxation and social security	-	96,009	-	-
Other creditors	932,537	595,513	134,002	145,984
Accruals and deferred income	2,986,211	1,279,017	626,863	265,323
	<u>12,549,135</u>	<u>4,609,319</u>	<u>3,588,429</u>	<u>1,623,196</u>

Amounts owed to group undertakings are due on demand and unsecured.

Amounts owed to group undertakings include two loans that were received from the parent company, Roeslein & Associates Inc. The first loan, issued in July 2020, was for \$1,500,000 with a 3.5% annual interest rate, to be repaid over a period of five years through monthly installments. The second loan, provided in May 2022, amounted to \$5,100,000, with an interest rate of 4.76% per annum and a repayment term of seven years in monthly installments.

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

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>
Other creditors	495,933	668,596
	<u>495,933</u>	<u>668,596</u>

The group's lease liabilities as of 31 December 2022 are split between current and non-current categories. The current finance lease amounts to \$91,340 (2021: \$96,891), due within one year, and is reflected under 'other creditors' in note 16. The non-current finance lease liability, amounting to \$495,933 (2021: \$668,596) and due in greater than one year, which is included as a creditor due in more than one year, under 'other creditors'. The total finance lease liability is \$587,260 (2021: \$765,487).

The company has no lease liabilities.

**ROESLEIN & ASSOCIATES, LTD**

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

**18. Deferred taxation**

**Group**

**2022**  
**\$**

At beginning of year (92,902)  
Charged to profit or loss (545,205)

At end of year (638,107)

**Company**

**2022**  
**\$**

At beginning of year (42,071)

At end of year (42,071)

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Company 2022 \$</b>	<b>Company 2021 \$</b>
Timing differences	(638,107)	(92,902)	(42,071)	(42,071)
	<u>(638,107)</u>	<u>(92,902)</u>	<u>(42,071)</u>	<u>(42,071)</u>

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**19. Share capital**

	<b>2022 \$</b>	<b>2021 \$</b>
<b>Allotted, called up and fully paid</b>		
100 (2021 - 100) Ordinary shares of \$1.99 each	<u>199</u>	<u>199</u>

The Ordinary shares carry voting and dividend rights.



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ROESLEIN & ASSOCIATES, LTD

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

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**20. Reserves**

**Foreign exchange reserve**

Foreign exchange reserve comprises of transaction differences arising from the translation of the financial statements of the group's foreign entity into US Dollars.

**Retained earnings**

The retained earnings reserve includes cumulative profits and losses, net of dividends and paid and other adjustments.

**21. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represent contributions payable by the company to the fund and amounted to \$176,581 (2021: \$119,483).

**22. Commitments under operating leases**

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Company 2022 \$</b>	<b>Company 2021 \$</b>
Not later than 1 year	258,858	30,635	245,682	17,485
Later than 1 year and not later than 5 years	1,011,581	17,500	982,730	-
Later than 5 years	552,785	-	552,785	-
	<u>1,823,224</u>	<u>48,135</u>	<u>1,781,197</u>	<u>17,485</u>

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## ROESLEIN & ASSOCIATES, LTD

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

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#### 23. Related party transactions

In the year the Group made sales to Roeslein & Associates Inc, the parent company, totaling \$32,487,132 (2021: \$14,628,822) and incurred expenses amounting to \$3,757,548 (2021: \$Nil). At year-end, the total receivable was \$Nil (2021: \$Nil) and the payable was \$1,492,209 (2021: \$1,184,361).

In the year the group made sales to Pride Conveyance Systems, a Roeslein Company and related party, totaling \$67,673 (2021: \$Nil) and incurred expenses amounting to \$318,505 (2021: \$117,223). At year-end, the total receivable is \$18,476, (2021: \$22,401) and the payable is \$91,979 (2021: \$Nil)

In the year the group made sales to Roeslein Brasil Servicos de Engenharia LTDA, a Roeslein Company, and related party, totaling \$313,733 (2021: \$Nil) and incurred expenses amounting to \$Nil (2021: \$Nil). At year-end, the total receivable is \$Nil, (2021: \$Nil) and the payable is \$Nil (2021: \$Nil).

In the year the group made sales to Roeslein & Associates of Denver LLC, a related party, totaling \$Nil (2021: \$Nil) and incurred expenses amounting to \$Nil (2021: \$Nil). At year-end, the total receivable was \$15,253, (2021: \$44,205) and the payable was \$Nil (2021: \$Nil)

In the year the group made sales to Roeslein and Associates Mechanical Manufacturing and Engineering (Shanghai) Co. Ltd., a related party, totaling \$Nil (2021: \$Nil) and incurred expenses amounting to \$5,183 (2021: \$116,838). At year-end, the total receivable was \$Nil, (2021: \$Nil) and the payable is \$Nil (2021: \$Nil)

In the year the group made sales to Roeslein & Associates of Indiana LLC, a related party, totaling \$35,776 (2021: \$Nil) and incurred expenses amounting to \$Nil (2021: \$Nil). At year-end, the total receivable was \$Nil, (2021: \$Nil) and the payable is \$Nil (2021: \$Nil)

Included within the amounts owed to group undertakings there is an intercompany loan from Roeslein & Associates Inc, a related party. The interest expenses incurred on this loan amounted to \$38,144 (2021: \$44,347). At year-end, the total outstanding loan receivable is \$Nil (2021: \$Nil) and the payable is \$5,870,423 (2021: \$Nil).

The company has taken advantage of the exemption allowed by FRS 102 not to disclose transactions with members of the Group on the grounds that the company wholly owns group members, and all subsidiary companies are included in the financial statements.

#### 24. Post balance sheet events

There are no post balance sheet events that require disclosure in these financial statements.

#### 25. Controlling party

The Company's immediate and ultimate parent company is Roeslein & Associates, Inc., a company incorporated in the United States of America.

The registered office of the ultimate parent company is 9200 Watson Road, Suite 200, St. Louis, Missouri, USA.