

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MAY 2022

CAWKWELL PRECISION
ENGINEERING CO LIMITED

MENZIES

CAWKWELL PRECISION ENGINEERING CO LIMITED

COMPANY INFORMATION

Director	A J Smyth
Company secretary	M G Simpson
Registered number	08945807
Registered office	14 Camphill Industrial Estate Camphill Road West Byfleet Surrey KT14 6EW
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY

CAWKWELL PRECISION ENGINEERING CO LIMITED

REGISTERED NUMBER:08945807

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	6,482	8,704
Tangible assets	5	1,486	13,284
		<u>7,968</u>	<u>21,988</u>
Current assets			
Stocks		36,724	39,092
Debtors: amounts falling due within one year	6	164,096	157,521
Cash at bank and in hand		63,441	38,130
		<u>264,261</u>	<u>234,743</u>
Creditors: amounts falling due within one year	7	(117,522)	(166,435)
Net current assets		<u>146,739</u>	<u>68,308</u>
Total assets less current liabilities		<u>154,707</u>	<u>90,296</u>
Provisions for liabilities			
Deferred tax		-	(2,883)
		<u>-</u>	<u>(2,883)</u>
Net assets		<u><u>154,707</u></u>	<u><u>87,413</u></u>
Capital and reserves			
Allotted, called up and fully paid share capital		1	1
Profit and loss account		154,706	87,412
		<u><u>154,707</u></u>	<u><u>87,413</u></u>

CAWKWELL PRECISION ENGINEERING CO LIMITED

REGISTERED NUMBER:08945807

STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 MAY 2022

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

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

A J Smyth
Director

Date: 28 November 2022

The notes on pages 3 to 8 form part of these financial statements.

CAWKWELL PRECISION ENGINEERING CO LIMITED

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

1. General information

Cawkwell Precision Engineering Co Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office is disclosed on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Revenue

Revenue from the manufacture and sale of precision engineering 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. Revenue is recognised at the point of delivery, as this is considered to be the point at which the risks and rewards of ownership transfer to the customer.

2.3 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 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 Statement of Income and Retained Earnings 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:

Goodwill	-	straight line over 4 years
Trademarks	-	straight line over 9 years

CAWKWELL PRECISION ENGINEERING CO LIMITED

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

2. Accounting policies (continued)

2.4 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:

Plant and machinery	-	straight line over 7 years
Fixtures and fittings	-	straight line over 4 years
Office equipment	-	straight line over 3 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.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

2.6 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.

2.7 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 Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

CAWKWELL PRECISION ENGINEERING CO LIMITED

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

2. Accounting policies (continued)

2.8 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 reporting 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 reporting 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 reporting date.

2.9 Research and development

Research and development expenditure is recognised as an expense in the period that it is incurred.

2.10 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. Employees

The average monthly number of employees, including directors, during the year was 10 (2021 - 7).

CAWKWELL PRECISION ENGINEERING CO LIMITED

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

4. Intangible assets

	Trademarks	Goodwill	Total
	£	£	£
Cost			
At 1 June 2021	20,000	280,000	300,000
At 31 May 2022	20,000	280,000	300,000
Amortisation			
At 1 June 2021	11,296	280,000	291,296
Charge for the year	2,222	-	2,222
At 31 May 2022	13,518	280,000	293,518
Net book value			
At 31 May 2022	6,482	-	6,482
At 31 May 2021	8,704	-	8,704

CAWKWELL PRECISION ENGINEERING CO LIMITED

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

5. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 June 2021	208,553	2,963	3,462	214,978
At 31 May 2022	208,553	2,963	3,462	214,978
Depreciation				
At 1 June 2021	195,269	2,963	3,462	201,694
Charge for the year	11,798	-	-	11,798
At 31 May 2022	207,067	2,963	3,462	213,492
Net book value				
At 31 May 2022	1,486	-	-	1,486
At 31 May 2021	13,284	-	-	13,284

6. Debtors

	2022 £	2021 £
Trade debtors	26,445	29,139
Amounts owed by group undertakings	134,066	118,324
Other debtors	690	2,880
Prepayments and accrued income	2,834	7,178
Deferred taxation	61	-
	164,096	157,521

CAWKWELL PRECISION ENGINEERING CO LIMITED

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

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	20,066	13,889
Amounts owed to group undertakings	37,938	96,224
Other taxation and social security	35,490	31,037
Other creditors	2,428	5,217
Accruals and deferred income	21,600	20,068
	<u>117,522</u>	<u>166,435</u>

8. Parent company

The parent of the smallest and largest group for which consolidated financial statements are drawn up is T&G Engineering Holdings Limited, a company registered in England and Wales. The address of its registered office is the same as this company's registered office and is disclosed on the company information page.

9. Auditors' information

The auditors' report on the financial statements for the year ended 31 May 2022 was unqualified.

The audit report was signed on 20 December 2022 by Caroline Milton FCA (Senior statutory auditor) on behalf of Menzies LLP.

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.