

Registered number: 12672039

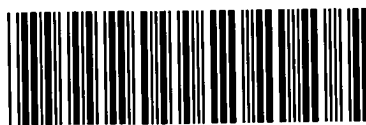
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**FINELINE ALUMINIUM DESIGN LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

TUESDAY



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**FINELINE ALUMINIUM DESIGN LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	A B De Haas N A Roberts (appointed 26 January 2021) D A Thomas (appointed 21 April 2022) D B Leng (resigned 30 April 2021)
<b>Company secretary</b>	D Rogers
<b>Registered number</b>	12672039
<b>Registered office</b>	Newton Centre (C/O Customade) Brunel Way Stroudwater Business Park Stonehouse GL10 3SW
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2 Glass Wharf Bristol BS2 0EL
<b>Bankers</b>	Clydesdale Bank PLC Bering House Mariner Court Clydebank G81 2NR

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**CONTENTS**

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	Page
<b>Strategic Report</b>	1 - 2
<b>Directors' Report</b>	3 - 4
<b>Independent Auditor's Report</b>	5 - 8
<b>Statement of Comprehensive Income</b>	9
<b>Statement of Financial Position</b>	10
<b>Statement of Changes in Equity</b>	11
<b>Notes to the Financial Statements</b>	12 - 25

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## **FINELINE ALUMINIUM DESIGN LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Introduction**

The principal activity of the company during the period was the manufacture and supply of aluminium windows, doors and roof systems. There have not been any significant changes in the company's principal activity in the period under review.

#### **Business review**

2021 was the first full year of trading for the company, following its commencement of trading at the end of June 2020.

The changes in COVID-19 restrictions and the variations in these rules in different areas of the UK heavily impacted trading in the earlier part of the year, particularly in Scotland, where our outlets remained closed for longer than in the rest of the UK and the regulations did not allow our customers to work in people's homes.

However, as restrictions were relaxed, trading was strong on the back of high end-user demand.

The second half of the year saw unprecedented pressure on supply prices with most material groups experiencing increases well into double-figure percentages.

High demand led to global shortages of raw materials for PVC production, energy costs pushed aluminium and glass prices to record levels whilst the cost of international container shipping increased ten-fold to put further pressure on our imported accessory supplies.

Despite pressures on input prices the business was able to maintain margins and to pass on material price increases. Customer knowledge of the circumstances driving price increases meant the business met with little resistance and, despite the sector-wide price inflation, demand for our products remained high.

Our strong relationships with suppliers and our excellent payment history meant we were able to maintain supplies of key materials and to minimise impact on both the efficient running of our manufacturing plants and the service we offer to our customers.

It is testament to the management and staff of the business that we improved our service performance in the face of such a challenging and demanding year.

In light of the circumstances, the directors are very pleased with the financial performance of the business.

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

The management of the business and the execution of the company's strategy are subject to several risks, these include:

- Competitor activity
- Market behaviour
- Raw material pricing and supply
- Labour availability

The company is well placed to respond to competition. It has a wide and loyal customer base and feedback on competitor activity flows relatively freely giving the company ample time to devise and implement responses to competitor threats.

Material supply issues attributed to Covid and unprecedented demand for raw material have caused input prices to rise through the second half of 2021. The expectation is that these will continue to be a factor throughout 2022.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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In the period under review, demand for our products has been high and prices are inelastic allowing for supply price increases to be passed on to our customers.

Labour availability was tight throughout 2021 although the level of vacancies was well managed. The company was proud to become a Real Living Wage employer from the beginning of 2022 and this has enabled us to better attract skilled staff.

**Directors' statement of compliance with duty to promote the success of the company**

The Board regularly considers the impact of their decision making on its key stakeholders. To this end, the Board have identified the following groups of stakeholders and the effect that this has had on the business's decisions in the period under review.

**Our people**

Covid restrictions and the measures taken by the business to protect its employees made it particularly important to maintain communication and collaboration. Regular updates were provided to staff throughout the year using video conferencing, periodic email updates to staff and as restrictions eased face to face meetings.

Production staff were regularly updated on any changes to requirements around covid regulations and how they shaped interactions with our customers.

Some office-based staff remained working from home throughout 2021 but have returned in 2022 on a new hybrid working model which has been very positively received. Due to investments in hardware and connectivity in 2020 and 2021 there was no reduction in the quality of service provided to the business due to home working.

**Our customers**

The company continued to build strong relationships with its customer base. There were further increases to the sales team and technical support for both staff and customers.

**Our suppliers**

Management continued to engage directly with all main suppliers ensuring a constant and consistent flow of information. Throughout the year the business has maintained a virtual 100% record of paying all suppliers on time. This has led to a continued improvement to trading terms over the course of the year.

This report was approved by the board on 21/11/2022 and signed on its behalf.

*Nick Roberts*

**N A Roberts**  
Director

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## **FINELINE ALUMINIUM DESIGN LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present their report and the financial statements for the year ended 31 December 2021.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £2,111,665 (2020: loss £5,176).

#### **Directors**

The directors who served during the year were:

A B De Haas  
N A Roberts (appointed 26 January 2021)  
D B Leng (resigned 30 April 2021)

#### **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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Future developments**

The external environment continues to be competitive in 2022 with continued input price increases expected throughout the year. Many industry commentators believe the market will soften in the second half of 2022. The directors have considered this and believe that the company is very well placed to meet any challenges in overall demand.

The directors remain confident that their actions will ensure profitable growth and improved trading results of the business. These actions include delivering gains in market share through the quality of the service we provide across our wide product range.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Post balance sheet events**

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

**Disclosure of information to auditor**

The directors confirm that:

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

**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 21/11/2022 and signed on its behalf.

*Nick Roberts*

**N A Roberts**  
Director



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINELINE ALUMINIUM DESIGN LIMITED**

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### **Disclaimer of opinion**

We were engaged to audit the financial statements of Finline Aluminium Design Limited for the year ended 31 December 2021, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, and notes to the financial statements, 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).

We do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Company's financial statements.

### **Basis for disclaimer of opinion**

Management was unable to provide supporting information and explanations in respect of various accounting entries and balances of the Company financial statements. The significance and pervasiveness of the weaknesses in the Company's accounting books and records, financial systems and internal controls meant that we were not able to obtain sufficient appropriate audit evidence concerning the results of the Company for the year and the position of the Company at the year end, as reported in the respective financial statements. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of the statement of comprehensive income, statement of changes in equity and notes to the financial statements.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

### **Opinions on other matters prescribed by the Companies Act 2006**

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion whether, 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 period 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.





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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINELINE ALUMINIUM DESIGN LIMITED  
(CONTINUED)**

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**Matter on which we are required to report under the Companies Act 2006**

Notwithstanding our disclaimer of an opinion on the financial statements, 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.

**Matters on which we are required to report by exception**

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether adequate accounting records have been kept by the Company.

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:

- returns adequate for our audit have not been received from branches not visited by us; or
- the 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;.

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement, 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.

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

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Company's financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINELINE ALUMINIUM DESIGN LIMITED  
(CONTINUED)**

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**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). However, because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

The extent to which the procedures we planned to perform are capable of detecting irregularities, including fraud, are detailed below:

- We planned to obtain an understanding of how the Company is complying with significant legal and regulatory frameworks through inquiries of management;
- The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Companies Act 2006, along with legislation relating to employment, health & safety, data protection and environmental issues, as those most likely to have a material effect if non-compliance were to occur;
- During planning, we communicated relevant laws and potential fraud risks to all engagement team members and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunity and incentives for management to perpetrate fraud, and the potential impact on the financial statements;
- In assessing the potential risks of material misstatement, we planned to obtain an understanding of:
  - the Company's operations, including the nature of their revenue sources, products, and services and of their objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
  - the Company's control environment;
  - the Company's relevant controls over areas of significant risks; and
  - the Company's business processes in respect of classes of transactions that are significant to the financial statements.
- Audit procedures planned by the engagement team included:
  - identifying the significant risk of fraud within revenue recognition and undertaking substantive testing to obtain sufficient and appropriate audit evidence;
  - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions; and
  - identifying and testing related party transactions.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINELINE ALUMINIUM DESIGN LIMITED  
(CONTINUED)**

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- These planned audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's planned assessment of the appropriateness of the collective competence and capabilities of the engagement team included:
  - consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity;
  - appropriate training, knowledge of the industry in which the Company operates; and
  - understanding the legal and regulatory requirements specific to the Company.

**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.



Timothy Lincoln BA ACA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Bristol  
Date: 21/11/2022

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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		<b>Year ended 31 December 2021 £</b>	<b>Period ended 31 December 2020 £</b>
Turnover	4	<b>5,416,450</b>	3,077,862
Cost of sales		<b>(3,414,331)</b>	(1,580,478)
<b>Gross profit</b>		<b>2,002,119</b>	1,497,384
Administrative expenses		<b>(4,211,011)</b>	(1,506,798)
Other operating income		<b>22,510</b>	-
<b>Operating loss</b>	5	<b>(2,186,382)</b>	(9,414)
Interest payable and expenses		<b>(12,208)</b>	(5,927)
<b>Loss before tax</b>		<b>(2,198,590)</b>	(15,341)
Tax on loss	9	<b>86,925</b>	10,165
<b>Loss for the financial year</b>		<b>(2,111,665)</b>	(5,176)
<b>Total comprehensive income for the year</b>		<b>(2,111,665)</b>	(5,176)

There were no recognised gains and losses for 2021 or 2020 other than those included in the Statement of Comprehensive Income.

The notes on pages 12 to 25 form part of these financial statements.

**FINELINE ALUMINIUM DESIGN LIMITED**  
**REGISTERED NUMBER:12672039**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	10	-	1,468,962
Tangible assets	11	76,232	396
		<u>76,232</u>	<u>1,469,358</u>
<b>Current assets</b>			
Stocks	12	618,869	89,468
Debtors: amounts falling due within one year	13	431,179	515,398
Cash at bank and in hand	14	122,471	313,111
		<u>1,172,519</u>	<u>917,977</u>
Creditors: amounts falling due within one year	15	(3,300,753)	(2,240,747)
<b>Net current liabilities</b>		<u>(2,128,234)</u>	<u>(1,322,770)</u>
<b>Total assets less current liabilities</b>		<u>(2,052,002)</u>	<u>146,588</u>
<b>Provisions for liabilities</b>			
Deferred tax	16	-	(86,925)
		<u>-</u>	<u>(86,925)</u>
<b>Net (liabilities)/assets</b>		<u><u>(2,052,002)</u></u>	<u><u>59,663</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	1	1
Capital contribution reserve	18	64,838	64,838
Profit and loss account	18	(2,116,841)	(5,176)
		<u><u>(2,052,002)</u></u>	<u><u>59,663</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on  
21/11/2022

*Nick Roberts*

**N A Roberts**  
Director

The notes on pages 12 to 25 form part of these financial statements.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	1	64,838	(5,176)	59,663
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(2,111,665)	(2,111,665)
<b>Total comprehensive income for the year</b>	-	-	(2,111,665)	(2,111,665)
<b>At 31 December 2021</b>	<b>1</b>	<b>64,838</b>	<b>(2,116,841)</b>	<b>(2,052,002)</b>

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2020**


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	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(5,176)	(5,176)
<b>Total comprehensive income for the period</b>	-	-	(5,176)	(5,176)
Shares issued during the period	1	-	-	1
Capital contribution	-	64,838	-	64,838
<b>Total transactions with owners</b>	<b>1</b>	<b>64,838</b>	<b>-</b>	<b>64,839</b>
<b>At 31 December 2020</b>	<b>1</b>	<b>64,838</b>	<b>(5,176)</b>	<b>59,663</b>

The notes on pages 12 to 25 form part of these financial statements.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

Fineline Aluminium Design Limited is a private company limited by shares & incorporated in England and Wales. Registered number 12672039. Its registered head office is located at Newton Centre (C/O Customade) Brunel Way, Stroudwater Business Park, Stonehouse, United Kingdom, GL10 3SW.

**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.

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

The following principal accounting policies have been applied:

**2.2 Going concern**

The Directors have undertaken a comprehensive going concern review over a period to 31 December 2023, considering the forecast cash flows of the Group and the liquidity headroom available over the corresponding period taking into account the Group's principal risks and uncertainties. The Group has modelled various forecasts in its assessment of going concern which have been considered by the Directors, along with a likelihood assessment of these forecasts, being:

- A base case, which reflects the Directors' current expectations of future trading
- Severe but plausible downside forecasts, based on reasonable sensitivities on key cashflow items, and
- A reverse stress test analysis setting out what would be required to break liquidity, or covenant requirements.

The review of forecasts indicates that the Group should be able to trade and operate within its current Acquisition Loan (AL) and Revolving Credit Facility (RCF) and settles its liabilities as they fall due and have the ability to maintain compliance with debt covenants for the foreseeable future. The current AL is available until 29th June 2025 and the RCF is available until 29th June 2024. There is a Standby Facility available until 29th June 2024. All forecasts within the going concern review assume the Standby Facility is unutilised.

The up to date forecast cashflow indicates closing liquidity at the end of FY23, with significant headroom over covenant leverage and cashflow ratios. In addition, a series of mitigating actions identified could be put in place to further reduce the risk to Going Concern, should they be required.

After due consideration, the Directors have a reasonable expectation that the Group has adequate liquidity to continue as going concern for the foreseeable future.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.3 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:

**Sale of goods**

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

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company 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 company 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. This includes goods delivered to trade centres for collection in accordance with agreed Terms and Conditions.

**2.4 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 the Statement of Comprehensive Income 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.

**2.5 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income 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.



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**FINELINE ALUMINIUM DESIGN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.6 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 Comprehensive Income over its useful economic life.

Goodwill amortisation is charged to the Statement of Comprehensive Income on a straight line basis over the estimated useful life of 10 years.

**Gain on bargain purchase**

Gain on bargain purchase 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, gain on bargain purchase is measured at cost less accumulated amortisation and accumulated impairment losses.

Gain on bargain purchase is released to the P&L in line with the periods that the fair value of non-monetary assets acquired are recovered. Any Gain on bargain purchase exceeding the fair value of non-monetary assets acquired is released in the periods expected to be benefited.

**Acquired Brand Names**

Brands have been valued using the Relief from Royalty Method. This assumes that the value of an intangible asset is equal to the present value of the amount the business would be prepared to pay to lease or rent that asset under a contract if it did not own the asset. The method has elements of the market approach because the information on royalty rates is generally obtained from market licensing transactions.

Brand amortisation is charged to the Statement of Comprehensive Income on a straight line basis over the estimated useful life, deemed to be 10 years.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)****2.7 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	- 20% to 33%
Office equipment	- 20% to 33%

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 the Statement of Comprehensive Income.

**2.8 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 includes labour and attributable overheads and is estimated as a percentage of final sales value.

**2.9 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.

**2.10 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. The Group does not operate an overdraft facility as part of its cash management.

**2.11 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.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.12 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 the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

**2.13 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.

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 amortised at cost using the effective interest method.

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

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**2.15 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 the Statement of Comprehensive Income 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.

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**FINELINE ALUMINIUM DESIGN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)****2.16 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income 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 Statement of Financial Position 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.

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

Company management and the board of directors make estimates and assumptions about the future. These estimates and assumptions impact recognised assets and liabilities, as well as revenue and expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under the prevailing conditions.

The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the financial period include:

- Tangible and Intangible assets are recognised at cost, less accumulated depreciation, amortisation and any impairments.
- The cost of inventory and associated provisioning are considered regularly. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future raw material usage.
- When assessing the recoverable value of trade and other debtors, management considers factors including the current credit rating of the debtor and historical experience.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**4. Turnover**

	<b>Year ended</b> <b>31</b> <b>December</b> <b>2021</b> <b>£</b>	<b>Period ended</b> <b>31</b> <b>December</b> <b>2020</b> <b>£</b>
Sales	<b>5,416,450</b>	<b>3,077,862</b>

Analysis of turnover by country of destination:

	<b>Year ended</b> <b>31</b> <b>December</b> <b>2021</b> <b>£</b>	<b>Period ended</b> <b>31</b> <b>December</b> <b>2020</b> <b>£</b>
United Kingdom	<b>5,416,450</b>	<b>3,077,862</b>

**5. Operating loss**

The operating loss is stated after charging:

	<b>Year ended</b> <b>31</b> <b>December</b> <b>2021</b> <b>£</b>	<b>Period ended</b> <b>31</b> <b>December</b> <b>2020</b> <b>£</b>
Amortisation of intangible assets	<b>1,468,962</b>	<b>77,313</b>
Depreciation of tangible assets	<b>19,349</b>	<b>2,883</b>
Operating lease rentals	<b>80,671</b>	<b>126,230</b>
Exceptional - Machinery Relocation	<b>-</b>	<b>10,069</b>

Machinery Relocation - Costs to move machinery following restructuring of remaining group companies.

**6. Auditor's remuneration**

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**7. Employees**

	<b>Year ended 31 December 2021 £</b>	<b>Period ended 31 December 2020 £</b>
Wages and salaries	<b>1,306,796</b>	<b>898,344</b>
Social security costs	<b>137,448</b>	<b>107,914</b>
Cost of defined contribution scheme	<b>36,686</b>	<b>3,670</b>
	<b><u>1,480,930</u></b>	<b><u>1,009,928</u></b>

The average monthly number of employees, including directors, during the year was 67 (2020: 48).

**8. Directors' remuneration**

	<b>Year ended 31 December 2021 £</b>	<b>Period ended 31 December 2020 £</b>
Directors' emoluments	-	49,094
Company contributions to defined contribution pension schemes	-	1,555
	<b><u>-</u></b>	<b><u>50,649</u></b>

There are no Directors remunerated through the company.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**9. Taxation**

	<b>Year ended 31 December 2021 £</b>	<b>Period ended 31 December 2020 £</b>
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(110,616)	(10,165)
Adjustments in respect of prior periods	(2,857)	-
Effect of tax rate change on opening balance	26,548	-
<b>Total deferred tax</b>	<b>(86,925)</b>	<b>(10,165)</b>
<b>Taxation on loss on ordinary activities</b>	<b>(86,925)</b>	<b>(10,165)</b>

**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is higher than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	<b>Year ended 31 December 2021 £</b>	<b>Period ended 31 December 2020 £</b>
(Loss) on ordinary activities before tax	(2,198,590)	(15,341)
(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(417,732)	(1,992)
<b>Effects of:</b>		
Fixed asset differences	29,379	13,767
Expenses not deductible for tax purposes	67	1,960
Adjustments to brought forward values	(9,709)	-
Adjustments to tax charge in respect of previous periods	(2,857)	-
Remeasurement of deferred tax for changes in tax rates	(19,542)	-
Movement in deferred tax not recognised	333,469	-
Group relief	-	(19,045)
Timing differences not recognised	-	(4,855)
<b>Total tax credit for the period</b>	<b>(86,925)</b>	<b>(10,165)</b>

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**9. Taxation (continued)****Factors that may affect future tax charges**

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. Accordingly, this rate is applicable in the measurement of deferred tax assets and liabilities at 31 December 2021. Deferred tax has been provided at 19% being the rate at which temporary differences are expected to reverse. However, in March 2021, the 2021 Budget included an announcement to increase the standard rate of corporation tax rate from 19% to 25% from 1 April 2023. The Finance Bill 2021 had its final reading on 24 May 2021 and this rate change is now considered substantively enacted.

Since the rate increase was not substantively enacted at the Balance Sheet date deferred tax has been provided at 19%. The maximum impact on UK deferred tax balances of the rate increase that will be applicable once the change has been substantively enacted, is estimated to be a net £27,450 increase to net liability position.

**10. Intangible assets**

	Patents £	Goodwill £	Total £
<b>Cost</b>			
At 1 January 2021	511,000	1,035,275	1,546,275
At 31 December 2021	511,000	1,035,275	1,546,275
<b>Amortisation</b>			
At 1 January 2021	25,550	51,763	77,313
Charge for the year on owned assets	485,450	983,512	1,468,962
At 31 December 2021	511,000	1,035,275	1,546,275
<b>Net book value</b>			
At 31 December 2021	-	-	-
At 31 December 2020	485,450	983,512	1,468,962

Amortisation on intangible assets is charged to admin expenses.



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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**11. Tangible fixed assets**

	Plant and machinery £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	527	2,752	3,279
Additions	4,161	91,024	95,185
Disposals	-	(3,177)	(3,177)
At 31 December 2021	<u>4,688</u>	<u>90,599</u>	<u>95,287</u>
<b>Depreciation</b>			
At 1 January 2021	527	2,356	2,883
Charge for the year on owned assets	634	18,715	19,349
Disposals	-	(3,177)	(3,177)
At 31 December 2021	<u>1,161</u>	<u>17,894</u>	<u>19,055</u>
<b>Net book value</b>			
At 31 December 2021	<u>3,527</u>	<u>72,705</u>	<u>76,232</u>
At 31 December 2020	<u>-</u>	<u>396</u>	<u>396</u>

**12. Stocks**

	2021 £	2020 £
Work in progress (goods to be sold)	<u>618,869</u>	<u>89,468</u>

Impairment losses totalling £Nil (2020: £Nil) were recognised in the Statement of Comprehensive Income.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**13. Debtors**

	2021 £	2020 £
Trade debtors	310,284	375,225
Amounts owed by group undertakings	-	83,185
Other debtors	-	20,780
Prepayments and accrued income	76,415	36,208
Tax recoverable	44,480	-
	<u>431,179</u>	<u>515,398</u>

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment and are repayable on demand.

**14. Cash and cash equivalents**

	2021 £	2020 £
Cash at bank and in hand	<u>122,471</u>	<u>313,111</u>

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

	2021 £	2020 £
Trade creditors	337,124	50,838
Amounts owed to group undertakings	1,728,105	557,918
Other taxation and social security	-	371,807
Other creditors	1,062,224	1,071,008
Accruals and deferred income	173,300	189,176
	<u>3,300,753</u>	<u>2,240,747</u>

Within the Amounts due to group undertakings balance is £317,412 (2020: £305,204) which is the carrying value of an interest free loan between the Company and immediate parent company Customade Group Services Limited. The gross loan of £364,116 (2020: £364,116) has been discounted by management by 4% over a 5 year period, the difference being treated as a Capital Contribution reserve in equity. The 4% interest is then charged an unwound on an annual basis on the balance, until deemed redemption. Other Amounts due to group undertakings are unsecured, interest free and have no fixed date of repayment and are repayable on demand.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**16. Deferred taxation**

	2021 £
At beginning of year	(86,925)
Credited to profit or loss	86,925
Arising on business combinations	-
<b>At end of year</b>	<b>-</b>

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Fixed asset timing differences	-	(91,159)
Short term timing differences	-	4,234
	<u>-</u>	<u>(86,925)</u>

**17. Share capital**

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
1 (2020: 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

There is a single class of ordinary shares, these were issued on 15 June 2020 on incorporation of the business. there are no restrictions on dividends and the repayment of capital.

**18. Reserves****Capital contribution reserve**

Represents the difference on issuance between the gross intercompany loan value issued to the Company by Customade Group Services Limited of £364,116 (2020: 364,116) in comparison to their present value discounted at a market rate of interest which on inception was £299,277 (2020: £299,277). The rate of discount used is 4% which is deemed an appropriate rate by management.

**Profit and loss account**

Includes all current period retained profits and losses.

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**FINELINE ALUMINIUM DESIGN LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**19. 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 represents contributions payable by the company to the fund and amounted to £62,687 (2020: £22,988). Contributions totalling £9,399 (2020: £12,759) were payable to the fund at the reporting date and are included in creditors.

**20. Commitments under operating leases**

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	73,326	7,456
Later than 1 year and not later than 5 years	151,813	13,048
	<u>225,139</u>	<u>20,504</u>

**21. Related party transactions**

The company has taken advantage of exemption, under the Financial Reporting Standard FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**22. Controlling party**

Nimbus Investments CXLII B.V. a Dutch-based private equity firm specialising in turnaround investments is the controlling party by virtue of its majority shareholding in Custombus Limited.

The immediate parent of the Company was Customade Group Services Limited. For the financial year ended 31 December 2021 the ultimate parent of the Company was Custombus Limited. Both entities have a registered address of Newton Centre Brunel Way, Stroudwater Business Park, Stonehouse, England, GL10 3SW.

For the financial year ended 31 December 2021 consolidated financial statements for Custombus Limited, being the largest and smallest group for which consolidated financial statements were prepared and are available from Companies House.