

**Strategic Report,**  
**Report of the Directors and**  
**Financial Statements**  
**for the Year Ended 31 December 2022**  
**for**  
**Castle Precision Engineering**  
**(Glasgow) Limited**

**Contents of the Financial Statements**  
**for the Year Ended 31 December 2022**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Income Statement</b>	<b>7</b>
<b>Other Comprehensive Income</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Cash Flow Statement</b>	<b>11</b>
<b>Notes to the Cash Flow Statement</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13</b>

**Castle Precision Engineering**  
**(Glasgow) Limited**

**Company Information**  
**for the Year Ended 31 December 2022**

**DIRECTORS:**

Mrs R Tiefenbrun  
Y L Tiefenbrun  
Miss R E Tiefenbrun

**SECRETARY:**

J Forrest

**REGISTERED OFFICE:**

241 Drakemire Drive  
Castlemilk  
Glasgow  
G45 9SZ

**REGISTERED NUMBER:**

SC039355 (Scotland)

**AUDITORS:**

O'Haras Accountants Limited  
Radleigh House  
1 Golf Road  
Clarkston  
Glasgow  
G76 7HU

**Strategic Report**  
**for the Year Ended 31 December 2022**

The directors present their strategic report for the year ended 31 December 2022.

**REVIEW OF BUSINESS**

In the twelve months to 31 December 2022, the company experienced a confluence of challenging events, including; tail end Covid impacts, direct effects of the Russia-Ukraine invasion, wider supply chain restart issues and high inflation levels.

The reporting period can be viewed in two distinct halves with the early portion of the year still closed due to lockdowns followed by a 2nd half 2022 recovery that would mark the first sustained global aviation re-opening. As such, Covid-19 continued to have a significant impact on the business in relation to its civil widebody (international) aerospace demand during this period.

Other business segments the company delivers to, including defence & medical along with sub segments in freight & business jet aviation, remained steady throughout.

The end of the furlough scheme prior to a full aviation reopening coupled with an orders lag effect, i.e with all previous orders having been consumed and awaiting fresh orders while customers burned-off excess Covid inventory, left the Company short of sufficient demand or support during 1st half 2022.

The reporting period 2nd half would see a positive rebound in global aviation and initial signals for new manufactured components demand; however servicing this would be severely limited by a number of operating factors including: wider supply chain skills shortages and capacity bottlenecks (particularly in relation to raw materials).

Overall, supply side problems limiting revenue delivery, coupled with cost challenges (including the 4.5x increase in energy costs due to the Russia-Ukraine conflict) would result in this period, FY2022, marking the deepest point of the pandemic for Castle, with revenues of £19.1m (£2.89m short of pre-pandemic trading levels) and a net loss of 4.79% of sales.

Recovery journey is expected to be ongoing through FY 2023 and reach positive pre-pandemic trading levels circa 2024/2025 in line with the broader aviation market.

**ON BEHALF OF THE BOARD:**

Y L Tiefenbrun - Director

27 September 2023

**Report of the Directors**  
**for the Year Ended 31 December 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2022.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Mrs R Tiefenbrun  
Y L Tiefenbrun  
Miss R E Tiefenbrun

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, O'Haras Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Y L Tiefenbrun - Director

27 September 2023

**Report of the Independent Auditors to the Members of**  
**Castle Precision Engineering**  
**(Glasgow) Limited**

**Opinion**

We have audited the financial statements of Castle Precision Engineering (Glasgow) Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

**Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
Castle Precision Engineering  
(Glasgow) Limited**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

**Auditors' responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We made enquiries of management as to whether there were any known or suspected instances of non compliance with laws and regulations.

We gained an understanding of management's internal controls designed to prevent and detect irregularities in their day-to-day operations.

We considered how fraud might occur in this company and designed our tests accordingly.

As in all audits, we also addressed the risk of management override of internal controls, including reviewing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of**  
**Castle Precision Engineering**  
**(Glasgow) Limited**

**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 a Report of the Auditors 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.

John O'Hara CA (Senior Statutory Auditor)  
for and on behalf of O'Haras Accountants Limited  
Raddleigh House  
1 Golf Road  
Clarkston  
Glasgow  
G76 7HU

27 September 2023



**Castle Precision Engineering**  
**(Glasgow) Limited (Registered number: SC039355)**

**Income Statement**  
**for the Year Ended 31 December 2022**

	Notes	2022 £	2021 £
<b>REVENUE</b>		19,117,593	18,012,554
Cost of sales		<u>14,137,472</u>	<u>13,368,806</u>
<b>GROSS PROFIT</b>		4,980,121	4,643,748
Administrative expenses		<u>5,858,480</u>	<u>4,518,816</u>
		(878,359)	124,932
Other operating income		<u>31,967</u>	<u>315,464</u>
<b>OPERATING (LOSS)/PROFIT</b>	4	(846,392)	440,396
Interest payable and similar expenses	5	<u>69,293</u>	<u>117,424</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(915,685)	322,972
Tax on (loss)/profit	6	<u>-</u>	<u>-</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<u>(915,685)</u>	<u>322,972</u>

The notes form part of these financial statements

**Castle Precision Engineering**  
**(Glasgow) Limited (Registered number: SC039355)**

**Other Comprehensive Income**  
**for the Year Ended 31 December 2022**

	Notes	2022 £	2021 £
<b>(LOSS)/PROFIT FOR THE YEAR</b>		(915,685)	322,972
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>			
<b>FOR THE YEAR</b>		<u>(915,685)</u>	<u>322,972</u>

The notes form part of these financial statements

**Castle Precision Engineering  
(Glasgow) Limited (Registered number: SC039355)**

**Balance Sheet  
31 December 2022**

	Notes	2022 £	£	2021 £	£
<b>FIXED ASSETS</b>					
Property, plant and equipment	7		6,089,338		6,548,357
<b>CURRENT ASSETS</b>					
Inventories	8	4,671,176		4,112,089	
Debtors	9	995,529		1,865,890	
Cash at bank and in hand		4,822,239		4,698,994	
		<u>10,488,944</u>		<u>10,676,973</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	<u>5,710,629</u>		<u>3,890,268</u>	
<b>NET CURRENT ASSETS</b>			<u>4,778,315</u>		<u>6,786,705</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			10,867,653		13,335,062
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		<u>581,344</u>		<u>2,133,068</u>
<b>NET ASSETS</b>			<u>10,286,309</u>		<u>11,201,994</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		3,000		3,000
Retained earnings	16		<u>10,283,309</u>		<u>11,198,994</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>10,286,309</u>		<u>11,201,994</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2023 and were signed on its behalf by:

Y L Tiefenbrun - Director

**Castle Precision Engineering**  
**(Glasgow) Limited (Registered number: SC039355)**

**Statement of Changes in Equity**  
**for the Year Ended 31 December 2022**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2021</b>	3,000	10,876,022	10,879,022
<b>Changes in equity</b>			
Total comprehensive income	-	322,972	322,972
<b>Balance at 31 December 2021</b>	<u>3,000</u>	<u>11,198,994</u>	<u>11,201,994</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(915,685)	(915,685)
<b>Balance at 31 December 2022</b>	<u>3,000</u>	<u>10,283,309</u>	<u>10,286,309</u>

The notes form part of these financial statements

**Castle Precision Engineering**  
**(Glasgow) Limited (Registered number: SC039355)**

**Cash Flow Statement**  
**for the Year Ended 31 December 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,458,826	3,209,178
Interest paid		(26,727)	(58,816)
Interest element of hire purchase payments paid		(42,566)	(58,608)
Net cash from operating activities		<u>2,389,533</u>	<u>3,091,754</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(289,202)	(316,712)
Sale of tangible fixed assets		30,436	200
Net cash from investing activities		<u>(258,766)</u>	<u>(316,512)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(1,596,535)	(403,465)
Capital movement in the year		(410,987)	(400,668)
Net cash from financing activities		<u>(2,007,522)</u>	<u>(804,133)</u>
<b>Increase in cash and cash equivalents</b>		<u>123,245</u>	<u>1,971,109</u>
<b>Cash and cash equivalents at beginning of year</b>	2	4,698,994	2,727,885
<b>Cash and cash equivalents at end of year</b>	2	<u>4,822,239</u>	<u>4,698,994</u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2022**

**1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2022	2021
	£	£
(Loss)/profit before taxation	(915,685)	322,972
Depreciation charges	748,221	783,858
(Profit)/loss on disposal of fixed assets	(30,436)	700
Finance costs	69,293	117,424
	<u>(128,607)</u>	<u>1,224,954</u>
(Increase)/decrease in inventories	(559,087)	2,111,308
Decrease/(increase) in trade and other debtors	870,361	(484,367)
Increase in trade and other creditors	2,276,159	357,283
<b>Cash generated from operations</b>	<u><u>2,458,826</u></u>	<u><u>3,209,178</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2022**

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u>4,822,239</u>	<u>4,698,994</u>

**Year ended 31 December 2021**

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	4,698,994	2,727,890
Bank overdrafts	-	(5)
	<u><u>4,698,994</u></u>	<u><u>2,727,885</u></u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>4,698,994</u>	<u>123,245</u>	<u>4,822,239</u>
	<u>4,698,994</u>	<u>123,245</u>	<u>4,822,239</u>
<b>Debt</b>			
Finance leases	(1,200,564)	410,987	(789,577)
Debts falling due within 1 year	(444,408)	444,408	-
Debts falling due after 1 year	<u>(1,152,127)</u>	<u>1,152,127</u>	<u>-</u>
	<u>(2,797,099)</u>	<u>2,007,522</u>	<u>(789,577)</u>
<b>Total</b>	<u><u>1,901,895</u></u>	<u><u>2,130,767</u></u>	<u><u>4,032,662</u></u>

**Notes to the Financial Statements  
for the Year Ended 31 December 2022**

**1. STATUTORY INFORMATION**

Castle Precision Engineering (Glasgow) Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Going concern**

The directors are satisfied that the Company will have access to sufficient funds to ensure that all liabilities will be met as they fall due over a period of at least 12 months from the approval date of these financial statements. Consequently, the directors consider it appropriate to prepare the financial statements on a going concern basis.

**Revenue**

Revenue is shown exclusive of VAT and is generated from the provision of engineering services. Revenue is recognised when goods are dispatched or made available for collection.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Plant and machinery	- 10% on cost
Office and computer equipment	- 30% on reducing balance

**Work in progress**

Work in Progress is stated at the lower of cost and net realisable value. For partially shipped and invoiced orders costs are apportioned based on expected/ known gross profit percentages.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

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

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

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

**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.

**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.

**Impairment of fixed assets**

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**3. EMPLOYEES AND DIRECTORS**

	2022 £	2021 £
Wages and salaries	3,971,181	3,134,756
Social security costs	439,099	332,748
Other pension costs	211,155	174,001
	<u>4,621,435</u>	<u>3,641,505</u>

The average number of employees during the year was as follows:

	2022	2021
Management & administration	52	48
Manufacturing	43	42
	<u>95</u>	<u>90</u>

	2022 £	2021 £
Directors' remuneration	462,630	229,020
Directors' pension contributions to money purchase schemes	<u>20,623</u>	<u>20,623</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2022	2021
Money purchase schemes	<u>2</u>	<u>2</u>



**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**3. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	<u>162,099</u>	<u>81,520</u>

**4. OPERATING (LOSS)/PROFIT**

The operating loss (2021 - operating profit) is stated after charging/(crediting):

	2022	2021
	£	£
Hire of plant and machinery	23,464	17,293
Depreciation - owned assets	748,221	783,858
(Profit)/loss on disposal of fixed assets	(30,436)	700
Auditors' remuneration	11,500	11,500
Auditors' remuneration for non audit work	13,112	16,020
Foreign exchange differences	<u>(65,438)</u>	<u>(62,808)</u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022	2021
	£	£
Bank loan interest	26,727	58,816
Hire purchase	25,459	35,779
Leasing	<u>17,107</u>	<u>22,829</u>
	<u>69,293</u>	<u>117,424</u>

**6. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**7. PROPERTY, PLANT AND EQUIPMENT**

	Freehold property £	Improvements to property £	Plant and machinery £	Office and computer equipment £	Totals £
<b>COST</b>					
At 1 January 2022	2,694,464	1,121,400	22,101,380	3,183,132	29,100,376
Additions	-	108,939	167,700	12,563	289,202
At 31 December 2022	2,694,464	1,230,339	22,269,080	3,195,695	29,389,578
<b>DEPRECIATION</b>					
At 1 January 2022	1,017,548	54,170	18,469,709	3,010,592	22,552,019
Charge for year	52,716	24,624	618,020	52,861	748,221
At 31 December 2022	1,070,264	78,794	19,087,729	3,063,453	23,300,240
<b>NET BOOK VALUE</b>					
At 31 December 2022	1,624,200	1,151,545	3,181,351	132,242	6,089,338
At 31 December 2021	1,676,916	1,067,230	3,631,671	172,540	6,548,357

Included in plant and machinery are assets costing £3,591,901 and depreciation of £1,799,572 which are subject to hire purchase agreements.

**8. INVENTORIES**

	2022 £	2021 £
Work-in-progress	4,671,176	4,112,089

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors	979,219	1,828,085
Other debtors	7,300	14,500
Prepayments and accrued income	9,010	23,305
	995,529	1,865,890

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Bank loans and overdrafts (see note 12)	-	444,408
Hire purchase contracts (see note 13)	390,369	416,391
Trade creditors	2,207,463	2,518,083
Social security and other taxes	118,534	102,509
VAT	846,607	223,527
Other creditors	1,990,626	-
Accrued expenses	142,398	170,718
Deferred government grants	14,632	14,632
	5,710,629	3,890,268

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022 £	2021 £
Bank loans (see note 12)	-	1,152,127
Hire purchase contracts (see note 13)	399,208	784,173
Deferred government grants	182,136	196,768
	<u>581,344</u>	<u>2,133,068</u>

**12. LOANS**

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year or on demand:		
Bank loans	<u>-</u>	<u>444,408</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>444,408</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>707,719</u>

**13. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Gross obligations repayable:		
Within one year	404,715	435,733
Between one and five years	<u>406,135</u>	<u>813,672</u>
	<u>810,850</u>	<u>1,249,405</u>
Finance charges repayable:		
Within one year	14,346	19,342
Between one and five years	<u>6,927</u>	<u>29,499</u>
	<u>21,273</u>	<u>48,841</u>
Net obligations repayable:		
Within one year	390,369	416,391
Between one and five years	<u>399,208</u>	<u>784,173</u>
	<u>789,577</u>	<u>1,200,564</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**14. SECURED DEBTS**

The bank holds a floating charge over the assets and undertakings of the company.

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
3,000	Ordinary	£1	<u>3,000</u>	<u>3,000</u>

Ordinary shares carry full voting rights and dividend rights.

**16. RESERVES**

	Retained earnings £
At 1 January 2022	11,198,994
Deficit for the year	(915,685)
At 31 December 2022	<u>10,283,309</u>

**17. RELATED PARTY DISCLOSURES**

During the year, the company made sales to Linn Products Limited, a company owned by a family member totalling £68,419.

At 31 December 2022 there was no balance due from or to Linn Products Limited.

**18. ULTIMATE CONTROLLING PARTY**

The controlling party is Mrs R Tiefenbrun.

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.