



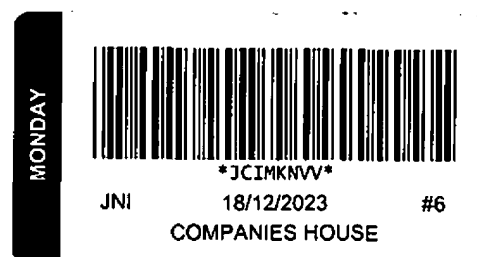
Northern Drives & Controls Limited

Financial Statements

Year Ended

31 December 2022

Company Number 03098497



Northern Drives & Controls Limited

Company Information

Directors	D G Griffin J Griffin
Company secretary	D G Griffin
Registered number	03098497
Registered office	Clarke Industrial Estate St Modwen Road Manchester M32 0ZF
Independent auditor	BDO Northern Ireland Chartered Accountants and Statutory Auditor Metro Building, First Floor 6-9 Donegall Square South Belfast BT1 5JA

Northern Drives & Controls Limited

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Northern Drives & Controls Limited

Registered number:03098497

Statement of Financial Position

As at 31 December 2022

	Note	2022 £	2022 £	Unaudited 2021 £	Unaudited 2021 £
Fixed assets					
Tangible assets	5		579,158		654,454
Investments	6		27,328		27,328
			<u>606,486</u>		<u>681,782</u>
Current assets					
Stocks	7	316,473		223,811	
Debtors: amounts falling due after more than one year	8	704,251		105,548	
Debtors: amounts falling due within one year	8	1,172,048		1,144,935	
Cash at bank and in hand		3,047,438		2,424,672	
		<u>5,240,210</u>		<u>3,898,966</u>	
Creditors: amounts falling due within one year	9	(760,391)		(536,607)	
Net current assets			<u>4,479,819</u>		<u>3,362,359</u>
Total assets less current liabilities			<u>5,086,305</u>		<u>4,044,141</u>
Creditors: amounts falling due after more than one year	10		(42,509)		(55,936)
Provisions for liabilities					
Deferred tax	12		(63,252)		(87,144)
Net assets			<u>4,980,544</u>		<u>3,901,061</u>
Capital and reserves					
Called up share capital	13		1		1
Profit and loss account			4,980,543		3,901,060
Total equity			<u>4,980,544</u>		<u>3,901,061</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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

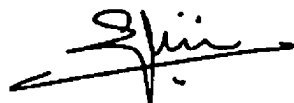
The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

Northern Drives & Controls Limited

Registered number:03098497

Statement of Financial Position (continued) As at 31 December 2022

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 December 2023.

A handwritten signature in black ink, appearing to read 'D G Griffin', with a long horizontal stroke extending to the right.

D G Griffin
Director

The notes on pages 3 to 14 form part of these financial statements.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. General information

Northern Drives & Controls Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the Company Information page. The principal activity of the Company during the year was that of industrial electronic repairs and installations.

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 a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

Rendering of services

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

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

2.5 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 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.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.7 Government grants

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

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

2.8 Interest income

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

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 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.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.11 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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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:

Improvements to leasehold property	- 10% straight line
Plant & machinery	- 10% and 25% straight line
Motor vehicles	- 25% straight line

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

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

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 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.

2.14 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.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 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.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

2.17 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP and all amounts in these financial statements have been rounded to the nearest pound.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income within 'administrative expenses'.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

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

In preparing these financial statements, the Director has had to make the following judgements:

- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether the stock balances are valued correctly, which is required and is based on up to date trading information. The Directors use their knowledge of the business, the trading environment and future projections to assess whether a provision is necessary in these areas.

Other key sources of estimation uncertainty

- **Tangible fixed assets (see note 5)**
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- **Investments (see note 6)**
Critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through the Statement of Comprehensive Income. There is a degree of judgement involved in assessing whether the investment value requires impairment for which the Directors will consider the market value of investments and cash flow generation.

4. Employee numbers

The average monthly number of employees, including directors, during the year was 36 (2021 Unaudited - 33).

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

5. Tangible fixed assets

	Improve- ments to leasehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2022 (Unaudited)	493,254	800,539	127,947	1,421,740
Additions	14,317	36,035	-	50,352
At 31 December 2022	<u>507,571</u>	<u>836,574</u>	<u>127,947</u>	<u>1,472,092</u>
Depreciation				
At 1 January 2022 (Unaudited)	118,231	591,761	57,294	767,286
Charge for the year on owned assets	48,857	52,101	24,690	125,648
At 31 December 2022	<u>167,088</u>	<u>643,862</u>	<u>81,984</u>	<u>892,934</u>
Net book value				
At 31 December 2022	<u>340,483</u>	<u>192,712</u>	<u>45,963</u>	<u>579,158</u>
At 31 December 2021 (Unaudited)	<u>375,023</u>	<u>208,778</u>	<u>70,653</u>	<u>654,454</u>

The net book value of assets held under finance leases or hire purchase contracts, included above total £36,986 (2021 Unaudited - £56,283).

6. Fixed asset investments

	Investments in subsidiary companies £
Cost and net book value	
At 1 January 2022 (Unaudited)	27,328
At 31 December 2022	<u>27,328</u>

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

6. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Northern Drives and Controls Espana SL	Industrial electronic repair and installation	Ordinary	100%
Northern Drives and Controls Italia S.R.L	Dormant	Ordinary	100%
NDC Deutschland GmbH	Industrial electronic repair and installation	Ordinary	100%
Northern Drives and Controls Inc	Industrial electronic repair and installation	Ordinary	100%

The registered office of Northern Drives and Controls Espana SL is Nave Industrial Site, La Avenida Fuentemar No. 20, Nave A9, Del Poligono Industrial, Del Termino Municipal de Coslada, 28823 Madrid, Spain.

The registered office of Northern Drives and Controls Italia S.R.L is Via Sardegna No.21, 20146 Milan, Italy.

The registered office of NDC Deutschland GmbH is Caffamacherreihe 20, 20355 Hamburg, Germany.

The registered office of Northern Drives and Controls Inc is 10890 Alder Circle, STE 1347, Dallas, TX 75238.

Northern Drives and Controls Inc was incorporated in November 2021.

7. Stocks

	2022 £	Unaudited 2021 £
Raw materials and consumables	222,003	219,396
Work in progress	-	579
Finished goods and goods for resale	94,470	3,836
	<u>316,473</u>	<u>223,811</u>

There is no material difference between the replacement cost of stocks and the amounts stated above.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

8. Debtors

	2022 £	Unaudited 2021 £
Due after more than one year		
Amounts owed by group undertakings	<u>704,251</u>	<u>105,548</u>
	2022 £	Unaudited 2021 £
Due within one year		
Trade debtors	748,710	578,811
Amounts owed by group undertakings	92,813	271,742
Other debtors	157,455	163,898
Prepayments and accrued income	173,070	130,484
	<u>1,172,048</u>	<u>1,144,935</u>

9. Creditors: Amounts falling due within one year

	2022 £	As restated Unaudited 2021 £
Trade creditors	225,448	226,505
Amounts owed to group undertakings	-	18,890
Amounts owed to related party undertakings	78,000	78,000
Corporation tax	209,314	133,063
Other taxation and social security	55,328	30,975
Obligations under finance lease and hire purchase contracts	13,427	13,427
Other creditors	68,738	7,766
Accruals and deferred income	110,136	27,981
	<u>760,391</u>	<u>536,607</u>

There are no amounts included within creditors which are payable or repayable other than by instalments and fall due for payment or repayment after the end of the period of five years beginning with the day next following the reporting date.

Other than the items in note 11, there are no other amounts included within creditors in respect of which any security has been given.

Amounts owed to related party undertakings of £78,000 were incorrectly included within trade creditors in the prior year and have therefore been reclassified accordingly.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

10. Creditors: Amounts falling due after more than one year

	2022 £	Unaudited 2021 £
Net obligations under finance leases and hire purchase contracts	42,509	55,936

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	Unaudited 2021 £
Within one year	13,427	13,427
Between 1-5 years	42,509	55,936
	55,936	69,363

The obligations under finance lease agreements are secured against the asset to which they relate.

12. Deferred taxation

	2022 £	Unaudited 2021 £
At beginning of year	87,144	27,451
Charged to profit or loss	(23,892)	59,693
At end of year	63,252	87,144

The provision for deferred taxation is made up as follows:

	2022 £	Unaudited 2021 £
Accelerated capital allowances	65,031	87,144
Short term timing differences	(1,779)	-
	63,252	87,144

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

13. Share capital

	2022 £	Unaudited 2021 £
Allotted, called up and fully paid		
1 (2021 Unaudited - 1) Ordinary share of £1.00	1	1

14. Commitments under operating leases

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

	2022 £	Unaudited 2021 £
Not later than 1 year	198,924	198,924
Later than 1 year and not later than 5 years	545,054	673,478
	<u>743,978</u>	<u>872,402</u>

15. Related party transactions

The Company has taken advantage of the available exemption conferred by Section 1AC.35 of FRS102 not to disclose transactions with wholly owned members of the Group.

During the year, the Company incurred and paid rental costs of £185,000 (2021 - £201,956) to Complete Plant Maintenance Engineering Limited Executive Pension Scheme, a pension scheme in which D G Griffin is a trustee and beneficiary.

Included within amounts owed to related party undertakings is £78,000 (2021 - £78,000) owed to Complete Plant Maintenance Engineering Limited Executive Pension Scheme, a pension scheme in which D G Griffin is a trustee and beneficiary.

Included within other debtors is a loan of £66,795 (2021 - £66,795) owed by D G Griffin, a director. Further advances totalling £Nil (2021 - £Nil) and repayments totalling £Nil (2021 - £Nil) were made during the year. The loan is interest free and repayable on demand.

Included within other debtors is a loan of £51,368 (2021 - £19,572) owed by J Griffin, a director. Further advances totalling £31,796 (2021 - £19,572) and repayments totalling £Nil (2021 - £Nil) were made during the year. The loan is interest free and repayable on demand.

16. Events after the reporting period

Following the year end, the Directors proposed the payment of a final dividend amounting to £450,000.

Northern Drives & Controls Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

17. Ultimate parent undertaking and controlling party

The Company's immediate and ultimate parent undertaking is Complete Plant Maintenance Engineering Ltd, a company incorporated in England and Wales and registered at Unit 4, St. Modwen Road, Stretford, Manchester, England, M32 0ZF.

The largest and smallest group in which the results are consolidated is that headed by Complete Plant Maintenance Engineering Ltd. The consolidated accounts of the Group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. No other group accounts include the results of the Company.

Complete Plant Maintenance Engineering Limited is ultimately controlled by D G Griffin by virtue of his majority shareholding.

18. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was qualified.

The qualification in the audit report was as follows:

Basis for qualified opinion

The Company's prior period financial statements were unaudited. We were unable to satisfy ourselves by alternative means that the balance sheet position at 31 December 2021 gave a true and fair view of the Company's affairs at this date. Consequently, we were unable to determine whether any adjustment to the Company's profit for the period 31 December 2022 is necessary.

The audit report was signed on 13 December 2023 by Laura S V Jackson (Senior Statutory Auditor) on behalf of BDO Northern Ireland.