

TENABLE SCREW COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

TENABLE SCREW COMPANY LIMITED

COMPANY INFORMATION

Directors	S T Schlaefli N M Schlaefli
Company secretary	S T Schlaefli
Registered number	00363073
Registered office	16 Deer Park Rd London Middlesex SW19 3UB
Independent auditor	TWP Accounting LLP Chartered Accountants & Statutory Auditors The Old Rectory Church Street Weybridge Surrey KT13 8DE
Bankers	Royal Bank of Scotland PLC 216-220 High Street Sutton Surrey SM1 1NU

TENABLE SCREW COMPANY LIMITED

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TENABLE SCREW COMPANY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Introduction

The Directors present their strategic report for the year ended 31st August 2022.

Review of the Business

The company is a manufacturing company and the principal activity continues to be the manufacture and sale of turned parts.

The Directors regard Turnover and Gross Margin as the key performance indicators of the business.

Trading conditions remained difficult during this period that included both the post Brexit and Covid-19 pandemic market conditions, rising raw material costs, and an increase in the CPI for the 12 months ending August 2022 at approximately 10% resulting in suppliers increasing their prices.

There was a significant increase in material costs for the year that lead to a significant increase in turnover for the year, and as a result a decrease in the gross profit percentage. The value of stock in hand increased as a result of increased prices for brass and steel, and supplier lead times.

Cost levels were generally maintained and controlled well despite inflationary pressures, resulting in an overall profit.

However, the trading year ahead faces further increases in raw material costs and a substantial increase in energy costs that will significantly affect profitability next year.

Plant and Machinery capital investment in the year of £674,536 included the purchase of 3 Citizen CNCs and 6 Tornos Swiss Nanos.

Principal risks and uncertainties

The company faces a challenge of managing the effect on sales and profitability as a result of rising raw material and tooling costs, lead times and the availability of raw materials which are a key element within the manufacturing processes.

The company's future trading success remains dependant upon the overall state of the economy. Following the UK leaving the European Union the company faces the loss of customers and turnover from this decision and will continue to plan to minimise its future impact. The company has adequate resources to continue and adopt the going concern basis in preparing the annual report and financial statements.

It continues to be a challenge to recruit new employees including apprentices who have the necessary education and skills to meet the needs of the business.

The company's ability to generate export sales will be affected by fluctuations in the value of sterling.

TENABLE SCREW COMPANY LIMITED

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

Financial instrument risk

The company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk and interest rate risk. The company operates using positive bank balances.

Given the size of the company, the Directors have not delegated the responsibility of monitoring risk management to a sub-committee of the board. The policies set by the board are implemented by the Directors and the company's finance department.

The company is exposed to commodity price risk as a result of operations and currency risk. However, given the size of the company's operations, the cost of managing exposure to commodity price and currency risk exceeds any potential benefits. The Directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Suitable credit control procedures are in place and receivable balances are regularly monitored on an ongoing basis.

This report was approved by the board on 6 July 2023 and signed on its behalf.

.....
S T Schlaefli
Director

TENABLE SCREW COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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

Principal activity

The Company's principal activity during the year continued to be the manufacture and supply of turned parts.

Results and dividends

The profit for the year, after taxation, amounted to £343,742 (2021 - £545,387).

A dividend amounting to £50,000 (2021: £nil) has been declared and paid in the current year.

The directors do not recommend any further dividend for the year ended 31 August 2022 (2021: £nil).

Directors

The directors who served during the year were:

S T Schlaefli
N M Schlaefli

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

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

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

TENABLE SCREW COMPANY LIMITED

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

Post balance sheet events

There have been no significant events affecting the company since the balance sheet date.

Auditor

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

This report was approved by the board on 6 July 2023 and signed on its behalf.

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S T Schlaefli
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TENABLE SCREW COMPANY LIMITED

Opinion

We have audited the financial statements of Tenable Screw Company Limited (the 'Company') for the year ended 31 August 2022, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TENABLE SCREW COMPANY LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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.

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

- adequate accounting records have not been kept, 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 Directors' Responsibilities Statement set out on page 3, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TENABLE SCREW COMPANY LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtain an understanding of the policies and procedures management has in place to detect and prevent fraud and non-compliance with laws and regulations.
- Enquire of management any cases of actual or suspected fraud and non-compliance with laws and regulations.
- Enquire of management and those charged with governance around actual and potential litigation and claims.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Perform substantive tests on a sample of transactions throughout the financial statements to ensure that no material errors have been identified.
- Perform cut off tests on a sample of transactions to ensure income has been accounted for in the correct period.
- Review of after year end information to ensure expenditure have been accounted for in the correct period.
- Perform analytical review procedures to identify any irregularities and investigation thereon.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our Auditor's Report.

TENABLE SCREW COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TENABLE SCREW COMPANY LIMITED (CONTINUED)

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.

Philip Munk FCA FCCA (Senior Statutory Auditor)

for and on behalf of

TWP Accounting LLP

Chartered Accountants & Statutory Auditors

The Old Rectory

Church Street

Weybridge

Surrey

KT13 8DE

6 July 2023

TENABLE SCREW COMPANY LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Turnover	3	8,598,329	7,300,385
Cost of sales		(6,452,481)	(5,150,325)
Gross profit		2,145,848	2,150,060
Distribution costs		(62,893)	(47,170)
Administrative expenses		(1,561,480)	(1,576,629)
Other operating income	4	-	147,437
Operating profit	5	521,475	673,698
Interest receivable and similar income	9	649	182
Profit before tax		522,124	673,880
Tax on profit	10	(178,382)	(128,493)
Profit after tax		343,742	545,387
Retained earnings at the beginning of the year		7,282,783	6,737,396
		7,282,783	6,737,396
Profit for the year		343,742	545,387
Dividends declared and paid		(50,000)	-
Retained earnings at the end of the year		7,576,525	7,282,783

The notes on pages 12 to 21 form part of these financial statements.

TENABLE SCREW COMPANY LIMITED
REGISTERED NUMBER: 00363073

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	3,818,766	3,518,751
		<u>3,818,766</u>	<u>3,518,751</u>
Current assets			
Stocks	13	1,014,307	546,176
Debtors: amounts falling due within one year	14	2,068,475	2,134,053
Cash at bank and in hand	15	2,811,968	2,902,211
		<u>5,894,750</u>	<u>5,582,440</u>
Creditors: amounts falling due within one year	16	(1,786,960)	(1,636,319)
Net current assets		<u>4,107,790</u>	<u>3,946,121</u>
Total assets less current liabilities		<u>7,926,556</u>	<u>7,464,872</u>
Provisions for liabilities			
Deferred taxation	17	(307,031)	(139,089)
		<u>(307,031)</u>	<u>(139,089)</u>
Net assets		<u><u>7,619,525</u></u>	<u><u>7,325,783</u></u>
Capital and reserves			
Called up share capital	18	25,000	25,000
Capital redemption reserve	19	18,000	18,000
Profit and loss account	19	7,576,525	7,282,783
		<u><u>7,619,525</u></u>	<u><u>7,325,783</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 July 2023.

.....
S T Schlaefli
Director

The notes on pages 12 to 21 form part of these financial statements.

TENABLE SCREW COMPANY LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Profit for the financial year	343,742	545,387
Adjustments for:		
Depreciation of tangible assets	407,158	355,099
Profit on disposal of tangible assets	-	(7,651)
Interest received	(649)	(182)
Taxation charge	178,382	128,493
(Increase) in stocks	(468,131)	(124,259)
Decrease/(increase) in debtors	65,580	(605,688)
Increase in creditors	258,467	411,785
Corporation tax (paid)/received	(118,266)	17,037
Net cash generated from operating activities	666,283	720,021
Cash flows from investing activities		
Purchase of tangible fixed assets	(707,175)	(248,689)
Sale of tangible fixed assets	-	26,200
Interest received	649	182
Net cash from investing activities	(706,526)	(222,307)
Cash flows from financing activities		
Dividends paid	(50,000)	-
Net cash used in financing activities	(50,000)	-
Net (decrease)/increase in cash and cash equivalents	(90,243)	497,714
Cash and cash equivalents at beginning of year	2,902,211	2,404,497
Cash and cash equivalents at the end of year	2,811,968	2,902,211
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,811,968	2,902,211
	2,811,968	2,902,211

The notes on pages 12 to 21 form part of these financial statements.

TENABLE SCREW COMPANY LIMITED

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

1. General information

Tenable Screw Company Limited is incorporated in England and Wales and limited by shares. The principal activity of the company is the manufacture and supply of turned parts.

The address of the registered office is given in the company information of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

2.3 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.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

Depreciation is provided on the following basis:

Freehold property	-	2%	Straight line basis
Long-term leasehold property	-		Over the period of the lease
Plant and machinery	-	10%	Straight line basis
Motor vehicles	-	25%	Reducing balance basis
Fixtures and fittings	-	10%	Straight line basis
Office equipment	-	10%	Straight line basis

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.

2.4 Research and development

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is recognised as an expense when it is incurred.

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

2. Accounting policies (continued)

2.5 Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell after making due allowance for obsolete and slow moving items. Cost is determined using the first in, first out costing method. Costs include all direct costs incurred in bringing the stocks to their present location and condition.

Finished goods and work in progress are included at valuation, on a basis consistent with previous years.

The carrying amount of stock sold is recognised as an expense in the period which the related revenue is recognised.

2.6 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.

2.7 Cash and cash equivalents

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

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

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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.

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

2. Accounting policies (continued)

2.10 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; 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 balance sheet date.

2.12 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.

3. Turnover

The whole of the turnover is attributable to the supply of manufactured turned parts.

23.65% of the company's turnover (2021 - 22.64%) is attributable to geographical markets outside the United Kingdom.

TENABLE SCREW COMPANY LIMITED

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

4. Other operating income

	2022	2021
	£	£
Death-in service insurance	-	107,328
Government grants receivable	-	40,109
	<u>-</u>	<u>147,437</u>

5. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	407,160	355,098
Exchange differences	(66,480)	19,265
Defined contribution pension cost	134,134	115,476
Government grants	<u>-</u>	<u>(40,109)</u>

6. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor:

	2022	2021
	£	£
Auditor's remuneration	19,000	17,575

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2022	2021
	£	£
Wages and salaries	3,172,946	3,092,035
Cost of defined contribution scheme	134,134	115,476
	<u>3,307,080</u>	<u>3,207,511</u>

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

	2022	2021
	No.	No.
Manufacturing and administrative staff	<u>97</u>	<u>92</u>

TENABLE SCREW COMPANY LIMITED

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

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	205,701	198,637
	<u>205,701</u>	<u>198,637</u>

The highest paid director received remuneration of £91,716 (2021 - £88,916).

9. Interest receivable

	2022 £	2021 £
Other interest receivable	649	182
	<u>649</u>	<u>182</u>

10. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	10,440	118,266
Adjustments in respect of previous periods	-	(17,037)
	<u>-</u>	<u>(17,037)</u>
Deferred tax		
Origination and reversal of timing differences	167,942	27,264
	<u>167,942</u>	<u>27,264</u>
Taxation on profit on ordinary activities	<u>178,382</u>	<u>128,493</u>

TENABLE SCREW COMPANY LIMITED

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

10. Taxation (continued)

Factors affecting tax charge for the year

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

	2022 £	2021 £
Profit on ordinary activities before tax	<u>522,124</u>	<u>673,880</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	99,204	128,037
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	236	(1,331)
Capital allowances for year in excess of depreciation	(89,037)	(8,754)
Adjustments to tax charge in respect of prior periods	-	(17,037)
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	37	314
Other timing differences leading to an increase (decrease) in taxation	167,942	27,264
Total tax charge for the year	<u>178,382</u>	<u>128,493</u>

Factors that may affect future tax charges

The current standard rate of corporation tax is 19%. The Finance Bill 2021, which was enacted in May 2021 will increase to taxable profits from the financial year beginning 1 April 2023 to 25%. This could lead to an increase in future tax charges.

11. Dividends

	2022 £	2021 £
Dividends paid	50,000	-
	<u>50,000</u>	<u>-</u>

TENABLE SCREW COMPANY LIMITED

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

12. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation							
At 1 September 2021	1,311,585	1,353,511	4,804,075	429,643	93,118	67,727	8,059,659
Additions	-	-	674,536	32,639	-	-	707,175
				462,282			
At 31 August 2022	1,311,585	1,353,511	5,478,611		93,118	67,727	8,766,834
Depreciation							
At 1 September 2021	41,972	309,613	3,753,067	289,663	93,118	53,475	4,540,908
Charge for the year on owned assets	10,493	17,514	334,057	43,060	-	2,036	407,160
				332,723			
At 31 August 2022	52,465	327,127	4,087,124		93,118	55,511	4,948,068
Net book value							
At 31 August 2022	1,259,120	1,026,384	1,391,487	129,559	-	12,216	3,818,766
				139,980			
At 31 August 2021	<u>1,269,613</u>	<u>1,043,898</u>	<u>1,051,008</u>		-	14,252	<u>3,518,751</u>

TENABLE SCREW COMPANY LIMITED

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

12. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2022	2021
	£	£
Freehold	1,259,120	1,269,613
Long-term leasehold	1,026,384	1,043,898
	<u>2,285,504</u>	<u>2,313,511</u>

13. Stocks

	2022	2021
	£	£
Raw materials	876,307	420,176
Work in progress	138,000	126,000
	<u>1,014,307</u>	<u>546,176</u>

14. Debtors

	2022	2021
	£	£
Trade debtors	1,941,928	1,978,519
Other debtors	91,977	104,744
Prepayments and accrued income	34,570	50,790
	<u>2,068,475</u>	<u>2,134,053</u>

15. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	2,811,968	2,902,211
	<u>2,811,968</u>	<u>2,902,211</u>

TENABLE SCREW COMPANY LIMITED

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

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,140,355	902,907
Corporation tax	10,440	118,266
Other taxation and social security	224,674	220,008
Other creditors	161,904	156,832
Accruals and deferred income	249,587	238,306
	<u>1,786,960</u>	<u>1,636,319</u>

17. Deferred taxation

	2022 £	2021 £
At beginning of year	(139,089)	(111,825)
Charged to profit or loss	(167,942)	(27,264)
At end of year	<u>(307,031)</u>	<u>(139,089)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(307,031)	(139,089)
	<u>(307,031)</u>	<u>(139,089)</u>

18. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
25,000 (2021 - 25,000) Ordinary shares of £1.00 each	<u>25,000</u>	<u>25,000</u>

TENABLE SCREW COMPANY LIMITED

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

19. Reserves

Capital redemption reserve

The capital redemption reserve represents the accumulative ordinary share capital repurchased and subsequently cancelled by the company.

Profit and loss account

The profit and loss account represents cumulative profits and losses.

20. 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 £134,134 (2021 - £115,476). Contributions totalling £23,915 (2021 - £23,717) were payable to the fund at the balance sheet date and are included in creditors.

21. Related party transactions

At the balance sheet date £63,690 (2021 - £63,690) was owing to Marlborough Precision Limited, a company controlled by the directors.

At the balance sheet date £80,423 (2021 - £80,423) was owing to the directors in respect of loans advanced to the company. These loans are repayable on demand and no interest has been paid by the company on these loans.

22. Controlling party

The company is controlled commonly by its directors. There is no one controlling party.

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