

JBT AEROTECH UK LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

MHA
Chartered Accountants and Statutory Auditor
Swansea, United Kingdom

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page
Company Information	1
Strategic Report	2 to 3
Report of the Directors	4 to 5
Report of the Independent Auditors	6 to 9
Income Statement	10
Other Comprehensive Income	11
Statement of Financial Position	12 to 13
Statement of Changes in Equity	14
Notes to the Financial Statements	15 to 25

DIRECTORS:

C F Durst
B Deroche
D K Bunting
P Burke
K S Barber
Mrs K Mooney
J S Verich
M B Witwer

REGISTERED OFFICE:

C/O Geldards LLP
Capital Quarter No. 4
Tyndall Street
Cardiff
CF10 4BZ

REGISTERED NUMBER:

01402826 (England and Wales)

AUDITORS:

MHA
Chartered Accountants and Statutory Auditor
Swansea, United Kingdom

AUDITORS OFFICE:

MHA House
Charter Court
Phoenix Way
Swansea Enterprise Park
Swansea
SA7 9FS

**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

The strategy adopted during the period has been to continually build on the market position.

Turnover has decreased by £6,036,636 from prior year and the gross profit percentage has decreased from 24.2% in the prior year to 20.3% in the current year.

The company has made a loss before tax of £128,514 in the year ended 31 December 2022, compared with a profit before tax of £2,124,017 in the previous year. The decrease was mostly due to a significant reduction in turnover.

As at 31 December 2022 the company had net current assets of £4m compared to £3.8m in the prior year.

Net assets have remained consistent at £4.6m in 2021 and 2022. The company's cash at bank and in hand was £269,583 at the statement of financial position date.

The company's long-term strategy is for global cutting edge design, manufacture, supply and support, for an expanding range of military and commercial aircraft ground support products and services.

The directors consider that the future prospects of the company are satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the nature of the company's strategy are subject to a number of risks. The directors have set out the company's principal risks and uncertainties below.

Regulation

The world wide reputation of the company's products being such that its expertise is consistently sought domestically and internationally, means that the increasingly stringent regulations under which it operates can sometimes work against maximum efficiency. This is a cost which has to be borne in the interests of maintaining quality products and the safety of personnel.

Research and development

The company continues to invest in the quality and design of its products. The directors believe the continued investment in design and development is fundamental to the continuing growth of the business.

People

The success of the company is largely dependent upon the availability and retention of skilled employees, the quality of staff being paramount in the selection process.

Health and safety

The company's business is concerned with manufacturing products and this entails significant health and safety risks. Should company policy or practice prove inadequate, there is a risk to staff, clients, contractors and third parties. The company takes these issues very seriously and ensures all staff are trained on health and safety matters, whilst also undertaking regular audits and reviews.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL RISK MANAGEMENT

To finance its operations the company uses cash, other liquid resources, borrowings and various other items such as trade debtors and creditors that arise directly from its operations. The main risks and liquidity risk are movements in currency exchange rates. The directors have established the following policies for managing each of these risks, which have remained unchanged.

Liquidity risk

The company seeks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Currency risk

The company is exposed to transaction and translation foreign exchange risk, each of which is taken into account in its overseas transactions.

ON BEHALF OF THE BOARD:

Mrs K Mooney - Director

27 December 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.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacture and design of aircraft docking systems and ground support equipment. The company activities also included the hire of equipment and maintenance support services.

DIVIDENDS

No dividends have been paid in the current or prior year.

FUTURE DEVELOPMENTS

The directors recognise that market forces continue to put pressure on prices and margins, but believe that continued investment in the product range, with particular emphasis on quality, design and employing people with the relevant expertise, will enable the company to improve on its market position.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

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

C F Durst
B Deroche
D K Bunting
P Burke
K S Barber

Other changes in directors holding office are as follows:

Mrs K Mooney , J S Verich and M B Witwer were appointed as directors after 31 December 2022 but prior to the date of this report.

R Levesque and G A Packard ceased to be directors after 31 December 2022 but prior to the date of this report.

POST BALANCE SHEET EVENTS

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

DISCLOSURE IN THE STRATEGIC REPORT

In accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) regulations 2013 the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been set out in the company's strategic report. This includes information that would have been included in the business review and the principal risks and uncertainties.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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), 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 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

On 1 December 2022 as a result of a merger, Gerald Thomas resigned as auditors in accordance with Section 516 of the Companies Act 2006 and re-engaged its services as MHA.

The auditors, MHA, have indicated their willingness to continue in office and a resolution will be proposed for their re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs K Mooney - Director

27 December 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JBT AEROTECH UK LIMITED

Opinion

We have audited the financial statements of JBT Aerotech UK Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

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 five, 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:

Detecting Irregularities

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 mis-statements in respect of irregularities, including fraud.

The objectives of our audit in relation to fraud are as follows:

- to identify and assess the risks of material misstatement of the financial statements due to fraud;
- to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses;
- and to respond appropriately to fraud or suspected fraud identified during the audit.

Auditor's approach to assessing the risks of material mis-statement due to irregularities, including fraud

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We assessed the risks of material misstatement in respect of fraud and considered the extent to which noncompliance with laws and regulations might have a material effect on the financial statements.

Audit procedures designed to respond to the risks of non-compliance with laws and regulations

Based on the results of our risk assessment, we designed our audit procedures to identify non-compliance with such laws and regulations identified above. We made enquiries of management to understand how the company is complying with those frameworks. Audit procedures performed by the engagement team also included a review of the financial statements disclosures to underlying supporting documentation. The audit team remained alert to any indications of non-compliance throughout the audit.

Audit procedures designed to respond to the risks of fraud

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where they considered there was susceptibility to fraud.

The primary responsibility for the prevention and detection of fraud rests with Those Charged With Governance of the entity and management.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud.

As well as adopting an attitude of professional scepticism, we have obtained information for use in identifying the risk of fraud when performing risk assessment procedures and performed the following procedures in light of the risk of fraud :

- Discussion amongst the engagement team regarding the susceptibility of the client to fraud;
- Consideration of the risk of fraud when documenting and testing internal controls;
- Enquiring of management how they: assess the risk of fraud; identify and respond to the risks of fraud;
- Enquiring of management and directors whether they have any knowledge of actual or suspected fraud;

Management override of controls

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. The audit engagement team performed journal entry testing using an approach which ensured a fair and varied sample of journals were tested in detail for evidence of bias, with a focus on any journals indicating large or unusual transactions based on our understanding of the company.

Considerations around likelihood of detection

However owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Report of the Auditors.

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.

Brian Garland BA ACA (Senior Statutory Auditor)
for and on behalf of MHA
Chartered Accountants and Statutory Auditor
Swansea, United Kingdom

27 December 2023

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
TURNOVER	4	14,837,121	20,873,757
Cost of sales		<u>11,830,972</u>	<u>15,830,457</u>
GROSS PROFIT		3,006,149	5,043,300
Administrative expenses		<u>3,353,672</u> (347,523)	<u>2,877,587</u> 2,165,713
Other operating income	5	<u>92,142</u>	<u>202,669</u>
OPERATING (LOSS)/PROFIT	7	(255,381)	2,368,382
Costs of other provisions	8	-	(117,000)
Costs of reorganisation	8	-	(48,425)
		<u>(255,381)</u>	<u>2,202,957</u>
Interest receivable and similar income		<u>174,409</u> (80,972)	<u>5,694</u> 2,208,651
Interest payable and similar expenses	9	<u>47,542</u>	<u>84,634</u>
(LOSS)/PROFIT BEFORE TAXATION		(128,514)	2,124,017
Tax on (loss)/profit	10	<u>(117,590)</u>	<u>377,855</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(10,924)</u>	<u>1,746,162</u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
(LOSS)/PROFIT FOR THE YEAR		(10,924)	1,746,162
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(10,924)</u>	<u>1,746,162</u>

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11		753,991		1,099,011
CURRENT ASSETS					
Stocks	12	4,455,118		2,982,448	
Debtors	13	15,519,164		14,932,419	
Cash at bank		<u>269,583</u>		<u>350,576</u>	
		20,243,865		18,265,443	
CREDITORS					
Amounts falling due within one year	14	<u>16,289,156</u>		<u>14,420,500</u>	
NET CURRENT ASSETS			<u>3,954,709</u>		<u>3,844,943</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,708,700		4,943,954
PROVISIONS FOR LIABILITIES	15	<u>109,165</u>		<u>333,495</u>	
NET ASSETS		<u>4,599,535</u>		<u>4,610,459</u>	
CAPITAL AND RESERVES					
Called up share capital	16	100,000		100,000	
Retained earnings	17	<u>4,499,535</u>		<u>4,510,459</u>	
SHAREHOLDERS' FUNDS		<u>4,599,535</u>		<u>4,610,459</u>	

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2022

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

Mrs K Mooney - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	100,000	2,764,297	2,864,297
Changes in equity			
Total comprehensive income	-	1,746,162	1,746,162
Balance at 31 December 2021	100,000	4,510,459	4,610,459
Changes in equity			
Total comprehensive income	-	(10,924)	(10,924)
Balance at 31 December 2022	100,000	4,499,535	4,599,535

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

1. STATUTORY INFORMATION

JBT Aerotech UK Limited is a private company, limited by shares, registered in England and Wales. 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.

The financial statements are prepared in Sterling which is the functional and presentational currency of the company and the financial statements are rounded to the nearest £.

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover and revenue recognition

Revenue is recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or product being ready for delivery, based upon specific contract terms.

Revenue from services is recognised upon completion of the contracted work. Revenue from hire of equipment is recognised in the period to which period of hire relates.

In the opinion of the directors, an analysis of turnover by class of business would be significantly prejudicial to the interests of the company.

Tangible fixed assets

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

Leasehold property	- 4% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

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.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete or slow moving items. Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

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

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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

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 statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the statement of financial position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the income statement over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Provisions

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income Statement in the year that the company becomes aware of the obligation, and are measured at the best estimate of the expenditure required to settle the obligation at the statement of financial position date, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

Going concern

The company recognised a loss for the year, but has net current assets and net assets at the statement of financial position date. The company is reliant on the continued support of its parent undertaking, Oshkosh Corporation. However the directors of the parent undertaking consider that the company is an integral part of the group structure and its commercial strategy and have indicated that they will provide the necessary financial support to ensure that the company is a going concern for at least 12 months from the date of signing of these financial statements.

After making enquiries and taking into account the factors noted above, the directors have concluded that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates. These judgements and estimates include the following:

Depreciation

The company exercises judgement to determine useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated lives.

Stock valuation

The value of work in progress and manufactured finished goods includes an element of direct production costs and production overheads. The company uses an estimated hourly production overhead rate to incorporate overhead costs into work in progress and manufactured finished good.

Warranty provision

A provision of £109,165 (2021 - £216,495) has been made for warranty costs. This provision is an estimate and the actual costs and timing of future cash flows based on the level of historical warranty costs, taking into account any other relevant factors and any actual costs incurred after the statement of financial position date. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4. TURNOVER

The turnover and loss (2021 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	4,725,631	14,797,995
Europe	5,920,720	2,159,140
Asia	195,089	139,035
Middle East	1,479,358	1,287,083
North America	2,346,640	2,359,128
Africa	167,682	128,874
South America	2,001	2,502
	<u>14,837,121</u>	<u>20,873,757</u>

5. OTHER OPERATING INCOME

	2022	2021
	£	£
Sundry receipts	-	9,262
RDEC tax credits	89,642	102,730
Government grants	2,500	90,677
	<u>92,142</u>	<u>202,669</u>

6. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	4,797,297	4,730,041
Social security costs	409,513	400,105
Other pension costs	365,013	361,726
	<u>5,571,823</u>	<u>5,491,872</u>

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

	2022	2021
Production staff	59	67
Sales and distribution staff	9	11
Administration staff	23	20
	<u>91</u>	<u>98</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022
6. EMPLOYEES AND DIRECTORS - continued

	2022	2021
	£	£
Directors' remuneration	422,035	316,774
Directors' pension contributions to money purchase schemes	<u>31,753</u>	<u>26,030</u>

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

	2022	2021
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	162,377	138,601
Pension contributions to money purchase schemes	<u>12,990</u>	<u>11,935</u>

Key management personnel are deemed to be the directors of the company.

7. OPERATING (LOSS)/PROFIT

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

	2022	2021
	£	£
Other operating leases	16,335	(67)
Depreciation - owned assets	158,195	288,900
Profit on disposal of fixed assets	-	(9,756)
Auditors' remuneration	37,050	35,500
Foreign exchange differences	42,953	(53,222)
Government grants	<u>(2,500)</u>	<u>(90,677)</u>

8. EXCEPTIONAL ITEMS

	2022	2021
	£	£
Costs of other provisions	-	(117,000)
Costs of reorganisation	-	<u>(48,425)</u>
	<u>-</u>	<u>(165,425)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Bank interest	-	(167)
Related party loan interest	47,542	84,801
	<u>47,542</u>	<u>84,634</u>

The related party loan interest is payable to group undertakings.

10. TAXATION**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	2022 £	2021 £
Current tax:		
UK corporation tax	-	418,586
Corporation tax - prior year	(88,148)	(4,694)
Total current tax	<u>(88,148)</u>	<u>413,892</u>
Deferred tax	(29,442)	(36,037)
Tax on (loss)/profit	<u>(117,590)</u>	<u>377,855</u>

UK corporation tax has been charged at 19% (2021 - 19%).

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
(Loss)/profit before tax	<u>(128,514)</u>	<u>2,124,017</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(24,418)	403,563
Effects of:		
Expenses not deductible for tax purposes	12,469	15,528
Adjustments to tax charge in respect of previous periods	(88,148)	(4,694)
Adjustments to tax charge in respect of previous periods - deferred tax	(2,219)	574
Fixed asset differences	6,344	6,344
Group relief claimed	-	(19,245)
Remeasurement of deferred tax for changes in tax rates	(25,613)	(23,504)
R&D expenditure credits	3,995	(711)
Total tax (credit)/charge	<u>(117,590)</u>	<u>377,855</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. TANGIBLE FIXED ASSETS

	Leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2022	834,702	1,656,499	457,344	236,865	3,185,410
Disposals	-	(236,509)	-	-	(236,509)
At 31 December 2022	<u>834,702</u>	<u>1,419,990</u>	<u>457,344</u>	<u>236,865</u>	<u>2,948,901</u>
DEPRECIATION					
At 1 January 2022	288,293	1,168,070	393,171	236,865	2,086,399
Charge for year	33,385	71,563	53,247	-	158,195
Eliminated on disposal	-	(49,684)	-	-	(49,684)
At 31 December 2022	<u>321,678</u>	<u>1,189,949</u>	<u>446,418</u>	<u>236,865</u>	<u>2,194,910</u>
NET BOOK VALUE					
At 31 December 2022	<u>513,024</u>	<u>230,041</u>	<u>10,926</u>	<u>-</u>	<u>753,991</u>
At 31 December 2021	<u>546,409</u>	<u>488,429</u>	<u>64,173</u>	<u>-</u>	<u>1,099,011</u>

12. STOCKS

	2022 £	2021 £
Raw materials	1,688,473	917,404
Work-in-progress	1,220,566	1,362,070
Finished goods	<u>1,546,079</u>	<u>702,974</u>
	<u>4,455,118</u>	<u>2,982,448</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	961,405	2,744,915
Amounts owed by group undertakings	14,174,105	11,555,496
Other debtors	114,179	70,375
Deferred tax asset	127,375	97,933
VAT	49,778	369,141
Prepayments and accrued income	<u>92,322</u>	<u>94,559</u>
	<u>15,519,164</u>	<u>14,932,419</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	606,945	452,861
Amounts owed to group undertakings	14,393,972	12,219,213
Corporation tax	61,301	231,415
Social security and other taxes	143,194	143,447
Other creditors	92,034	139,587
Accruals and deferred income	991,710	1,233,977
	<u>16,289,156</u>	<u>14,420,500</u>

15. PROVISIONS FOR LIABILITIES

	2022 £	2021 £
Other provisions		
Warranty provisions	109,165	216,495
Other provisions	-	117,000
	<u>109,165</u>	<u>333,495</u>
		Warranty provisions £
Balance at 1 January 2022		216,495
Credit to Income Statement during year		(107,330)
Balance at 31 December 2022		<u>109,165</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Called-up share capital represents the nominal value of shares that have been issued.

The Ordinary shares carry voting rights, rights on winding up, and an entitlement to receive dividends at the discretion of the company's directors.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022
17. RESERVES

	Retained earnings £
At 1 January 2022	4,510,459
Deficit for the year	(10,924)
At 31 December 2022	<u>4,499,535</u>

Retained earnings represents all current and prior period retained profits and losses.

18. PENSION COMMITMENTS

The company operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the company.

The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £365,013 (2021 - £361,726).

Contributions amounting to £23,460 (2021 - £37,069) were payable to the fund at the statement of financial position date.

19. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Amounts owed by/(to) group undertakings are disclosed in notes 13 and 14 to the financial statements respectively.

20. POST BALANCE SHEET EVENTS

Subsequent to the statement of financial position date the controlling party was Oshkosh Corporation, which acquired JBT Aerotech Corporation from John Bean Technologies Corporation on 1 August 2023.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

21. ULTIMATE CONTROLLING PARTY

The company's parent undertaking is Barber Holdings Limited, a company registered in England and Wales company no. 05522467.

During the period from 1 January 2022 to 1 August 2023, the company's intermediate parent undertaking was JBT Holdings B.V. which is incorporated in Chicago, Illinois, USA. The ultimate controlling party was John Bean Technologies Corporation.

John Bean Technologies Corporation was the head of the smallest and largest group in which the results of the company were consolidated as at 31 December 2022.

John Bean Technologies Corporation is listed on the New York Stock Exchange. A copy of John Bean Technologies Corporation's consolidated 2022 Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission, is available at jbtc.com/investors or upon written request to:

JBT Corporation
Investor Relations
70 West Madison Street
Suite 4400
Chicago, Illinois 60602

From 1 August 2023, the controlling party was Oshkosh Corporation, which acquired JBT Aerotech Corporation from John Bean Technologies Corporation on this date.

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.