

Registered number: 01665017

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**COMPANY INFORMATION**

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<b>Director</b>	D J Wykes
<b>Registered number</b>	01665017
<b>Registered office</b>	Goosey Lodge Wymington Nr Rushden Northants NN10 9LU
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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## WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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#### Introduction

The director presents the Group Strategic Report for the year ended 31 August 2021.

#### Business review

The director acknowledges the profit level for the year and considers that the position at the Balance Sheet date is satisfactory and that future trading will continue to be profitable.

The Group operates in an increasingly challenging and competitive environment. In spite of the challenges faced, revenue increased by 14% from 2020. Net assets at the year end amounted to £35.3m and investments in tangible fixed assets over the past two years amounted to £4.4m. Continued investment and strong operational performance provide a solid platform for the future growth and success of the Group.

#### Future developments

There is currently no material plan to change the operations of the group during the coming financial year and as a result the group is expected to operate at similar levels to the year ended 31 August 2022.

#### Principal risks and uncertainties

The Group is subject to commercial uncertainties regarding future pricing in respect of power generated, and demand for its engineering services. It is too early to assess the full impact of Brexit on the Group. At this stage, the weakening of sterling since the original referendum vote has been the only impact on the business as a result of the vote as the group has made purchases of equipment in Euros.

The Group's principal financial instruments comprise cash (via intra-Group balances) and various items, such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments exposes the group to a number of financial risks. The main risks arising from the Group's financial instruments are credit risk and currency risk. The director reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

In March 2020, the World Health Organization declared the global novel coronavirus disease 2019 (COVID-19) outbreak a pandemic. COVID-19 has had a global economic impact, including closure of non-essential businesses around the globe. The closure of non-essential businesses has not had a direct impact on our operations. The Company continues to maintain operations within all business service offerings and are continuously monitoring implications of COVID-19 related to potential supply chain shortages and actions to manage spending to align to operational requirements.

In forming a conclusion on going concern, the director has considered the Group and Company's likely business activities for the period of 12 months from the date of approval of these financial statements, material elements of which are unaffected by COVID-19, the strong forecast cash generation produced by those activities, and the financial resources available to the business from its own forecast cash resources, the financial resources available to the company from other companies under common control, and the supportive relationship with the Group and Company's bankers. Taking all of these into consideration, the director has concluded that the Group and Company will continue to operate as a going concern for the foreseeable future, and accordingly the financial statements are prepared on a going concern basis.

#### Market risk

Market risk encompasses currency risk and interest rate risk. The Group's policies for managing interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the sub section below.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

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**Currency risk**

The Group is exposed to transaction foreign exchange risk. If considered necessary, transaction exposures, including those associated with forecast transactions, are hedged when known, principally using forward currency contracts. Whilst the aim is to achieve an economic hedge the group does not adopt an accounting policy of hedge accounting for these financial statements.

**Interest rate risk**

The Group finances its operations through a mixture of retained profits and loans from directors and commonly held companies, the latter generally without interest.

**Credit risk**

The Group seeks to manage its credit risk by dealing with established customers or otherwise checking the creditworthiness of new customers, establishing clear contractual relationships with those customers, and by identifying and addressing any credit issues arising in a timely manner.

In order to manage credit risk the director sets limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

**Key performance indicators**

**Gross profit**

The directors regard gross profit as a key performance measure. Gross profit for the year was £8,414k (2020: £2,252k).

**Net assets**

Net worth of the group is regarded as a key performance indicator. At 31 August 2021 the net assets of the Group were £35,290k (2020: £33,089k).

**Debtor days**

Debtor days are regularly monitored. As at 31 August 2021, debtor days were 54 (2020: 72).

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



D J Wykes  
Director

Date: 30 AUGUST 2022

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## WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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### DIRECTOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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The director presents his report and the financial statements for the year ended 31 August 2021.

#### Director

The director who served during the year was:

D J Wykes

#### Director's responsibilities statement

The director is responsible for preparing the Group Strategic Report, the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The director is 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 the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Principal activity

The group is engaged in general metal fabrication and mechanical engineering, the generation and sale of electricity and the rental of industrial plant.

#### Results and dividends

The profit for the year, after taxation, amounted to £2,200k (2020 - loss £222k).

The director has not recommended payment of a dividend (2020: £Nil).

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## WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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### DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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#### Going concern

In March 2020, the World Health Organization declared the global novel coronavirus disease 2019 (COVID-19) outbreak a pandemic. COVID-19 has had a global economic impact, including closure of non-essential businesses around the globe. The closure of non-essential businesses has not had a direct impact on our operations. The Company continues to maintain operations within all business service offerings and are continuously monitoring implications of COVID-19 related to potential supply chain shortages and actions to manage spending to align to operational requirements.

In forming a conclusion on going concern, the director has considered the Group and Company's likely business activities for the period of 12 months from the date of approval of these financial statements, material elements of which are unaffected by COVID-19, the strong forecast cash generation produced by those activities, and the financial resources available to the business from its own forecast cash resources, the financial resources available to the company from other companies under common control, and the supportive relationship with the Group and Company's bankers. Taking all of these into consideration, the director has concluded that the Group and Company will continue to operate as a going concern for the foreseeable future, and accordingly the financial statements are prepared on a going concern basis.

#### Matters covered in the Group Strategic Report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' report have been omitted as they are included in the Strategic Report instead. These matters relate to business review, future developments, principal risk and uncertainties and key performance indicators.

#### Prior year adjustment

These financial statements have been prepared to reflect the critical area of judgement disclosed in note 3. As such, the prior year opening reserves and comparatives have been adjusted. The restatement results in prior year opening reserves increasing by £736k (being 50% of the prior year opening reserves of K. J. Wykes Limited), a decrease in the group loss for the prior year of £91k from £313k to £222k and an increase in prior year group net assets of £870k from £32,219k to £33,089k.

#### Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- he 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 and the Group's auditor is aware of that information.

#### Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Director has carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and has concluded that this is a non-adjusting post balance sheet event with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Director has taken account of these potential impacts in his going concern assessment.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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DIRECTOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

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**Auditor**

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

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



D J Wykes  
Director

Date: 30 AUGUST 2022



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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**Opinion**

We have audited the financial statements of Wykes Engineering Co. (Rushden) Limited (the 'Parent Company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Group Consolidated Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Consolidated Statement of Cash Flows, the Group and Company 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 FRS 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 Group and Parent Company's affairs as at 31 August 2021 and of the Group's 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 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 director's 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 Group and Parent 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 director with respect to going concern are described in the relevant sections of this report.

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**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 director is 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.

**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 Group Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Director's 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 Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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## WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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#### Responsibilities of Director

As explained more fully in the Director's Responsibilities Statement set out on page 3, the director is 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 director determines 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 director is responsible for assessing the Group and Parent 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 director intends either to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

#### 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.

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

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.

Based on our understanding of the Group and Parent Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group and the Parent Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYKES ENGINEERING CO. (RUSHDEN)  
LIMITED**

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In addition, we evaluated the director's and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut off assertion).

Our audit procedures in relation to fraud included but were not limited to:


- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of the audit report**

This report is made solely to the Group and Parent 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 Group and Parent 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 Group and Parent Company and the Group and Parent Company's members as a body for our audit work, for this report, or for the opinions we have formed.

  
Vincent Marke (Aug 31, 2022 13:37 GMT+1)

Vincent Marke (Senior statutory auditor)

for and on behalf of

Mazars LLP  
Chartered Accountants and Statutory Auditor  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 31-Aug-2022

**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £000	As restated 2020 £000
Turnover	4	30,766	26,955
Cost of sales		(22,363)	(24,703)
<b>Gross profit</b>		<b>8,403</b>	<b>2,252</b>
Administrative expenses		(6,437)	(2,805)
Other operating income	5	407	418
<b>Operating profit/(loss)</b>	6	<b>2,373</b>	<b>(135)</b>
Interest receivable and similar income	10	92	101
Interest payable and similar expenses	11	(305)	(304)
<b>Profit/(loss) before tax</b>		<b>2,160</b>	<b>(338)</b>
Tax on profit/(loss)	12	40	116
<b>Profit/(loss) for the financial year</b>		<b>2,200</b>	<b>(222)</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent company		2,200	(222)
		<u>2,200</u>	<u>(222)</u>

There was no other comprehensive income for 2021 (2020: £NIL).

The notes on pages 17 to 38 form part of these financial statements.

**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**  
**REGISTERED NUMBER: 01665017**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £000	As restated 2020 £000
<b>Fixed assets</b>			
Tangible assets	14	10,781	9,407
		<u>10,781</u>	<u>9,407</u>
<b>Current assets</b>			
Stocks	16	2,716	4,345
Debtors: amounts falling due within one year	17	32,267	29,738
Cash and cash equivalents	18	2,879	3,133
		<u>37,862</u>	<u>37,216</u>
Creditors: amounts falling due within one year	19	(13,354)	(13,534)
<b>Net current assets</b>		<u>24,508</u>	<u>23,682</u>
<b>Net assets</b>		<u><u>35,289</u></u>	<u><u>33,089</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	1	1
Profit and loss account	23	35,288	33,088
		<u><u>35,289</u></u>	<u><u>33,089</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**D J Wykes**  
 Director

Date: **30 AUGUST 2022**

The notes on pages 17 to 38 form part of these financial statements.

**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**  
**REGISTERED NUMBER: 01665017**

**COMPANY BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible assets	14	10,780	9,407
Investments	15	75	75
		<u>10,855</u>	<u>9,482</u>
<b>Current assets</b>			
Stocks	16	2,715	4,344
Debtors: amounts falling due within one year	17	32,219	29,703
Cash and cash equivalents	18	115	291
		<u>35,049</u>	<u>34,338</u>
Creditors: amounts falling due within one year	19	(15,087)	(15,064)
<b>Net current assets</b>		<u>19,962</u>	<u>19,274</u>
<b>Net assets</b>		<u><u>30,817</u></u>	<u><u>28,756</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	1	1
Profit and loss account brought forward	23	28,755	29,130
Profit/(loss) for the year	23	2,061	(375)
Profit and loss account carried forward	23	30,816	28,755
		<u><u>30,817</u></u>	<u><u>28,756</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**D J Wykes**  
 Director

Date: **30 AUGUST 2022**

The notes on pages 17 to 38 form part of these financial statements.

**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 September 2020 (as restated)	1	33,088	33,089
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,200	2,200
<b>Total comprehensive income for the year</b>	-	2,200	2,200
<b>Total transactions with owners</b>	-	-	-
<b>At 31 August 2021</b>	<b>1</b>	<b>35,288</b>	<b>35,289</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 September 2019 (as previously stated)	1	32,574	32,575
Prior year adjustment (note 24)	-	736	736
At 1 September 2019 (as restated)	1	33,310	33,311
<b>Comprehensive income for the year</b>			
Loss for the year	-	(222)	(222)
<b>Total comprehensive income for the year</b>	-	(222)	(222)
<b>Total transactions with owners</b>	-	-	-
<b>At 31 August 2020 (as restated)</b>	<b>1</b>	<b>33,088</b>	<b>33,089</b>

The notes on pages 17 to 38 form part of these financial statements.



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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 September 2020	1	28,755	28,756
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,061	2,061
<b>Total comprehensive income for the year</b>	-	2,061	2,061
<b>Total transactions with owners</b>	-	-	-
<b>At 31 August 2021</b>	<b>1</b>	<b>30,816</b>	<b>30,817</b>

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2020**

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	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 September 2019	1	29,130	29,131
<b>Comprehensive income for the year</b>			
Loss for the year	-	(375)	(375)
<b>Total comprehensive income for the year</b>	-	(375)	(375)
<b>Total transactions with owners</b>	-	-	-
<b>At 31 August 2020</b>	<b>1</b>	<b>28,755</b>	<b>28,756</b>

The notes on pages 17 to 38 form part of these financial statements.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021

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	2021 £000	As restated 2020 £000
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	2,200	(222)
<b>Adjustments for:</b>		
Depreciation of tangible assets	3,805	4,559
Profit on disposal of tangible assets	(17)	(23)
Interest paid	305	304
Interest received	(92)	(101)
Taxation charge	(40)	(116)
Decrease/(increase) in stocks	1,629	(2,704)
(Increase) in debtors	(1,991)	(153)
(Decrease)/increase in creditors	(434)	3,276
Corporation tax received	300	186
Movement in deferred tax	(544)	(341)
<b>Net cash generated from operating activities</b>	<b>5,121</b>	<b>4,665</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(5,201)	(4,383)
Sale of tangible fixed assets	39	55
Interest received	92	101
<b>Net cash from investing activities</b>	<b>(5,070)</b>	<b>(4,227)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(305)	(304)
<b>Net cash used in financing activities</b>	<b>(305)</b>	<b>(304)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(254)</b>	<b>134</b>

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

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	2021 £000	As restated 2020 £000
Cash and cash equivalents at beginning of year	3,133	2,999
Cash and cash equivalents at the end of year	<u>2,879</u>	<u>3,133</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,879	3,133
	<u>2,879</u>	<u>3,133</u>

The notes on pages 17 to 38 form part of these financial statements.

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## WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1. General information

Wykes Engineering Co. (Rushden) Limited is a private limited company, registered number 01665017, limited by share capital and incorporated in England and Wales. The registered office address and principal place of business is Goosey Lodge, Wymington, Rushden, Northants, NN10 9LU.

The principal activity of the Group is the general metal fabrication and mechanical engineering, the generation and sale of electricity and the rental of industrial plant.

The functional currency of the Company is Pounds Sterling as this is the currency of the primary economic environment in which the Company operates.

Monetary amounts in these financial statements are rounded to the nearest whole thousand £.

#### 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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

See note 24 in respect of the prior year adjustment made to the consolidated financial statements.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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2. Accounting policies (continued)

2.3 Going concern

In March 2020, the World Health Organization declared the global novel coronavirus disease 2019 (COVID-19) outbreak a pandemic. COVID-19 has had a global economic impact, including closure of non-essential businesses around the globe. The closure of non-essential businesses has not had a direct impact on our operations. The Company continues to maintain operations within all business service offerings and are continuously monitoring implications of COVID-19 related to potential supply chain shortages and actions to manage spending to align to operational requirements.

In forming a conclusion on going concern, the director has considered the Group and Company's likely business activities for the period of 12 months from the date of approval of these financial statements, material elements of which are unaffected by COVID-19, the strong forecast cash generation produced by those activities, and the financial resources available to the business from its own forecast cash resources, the financial resources available to the company from other companies under common control, and the supportive relationship with the Group and Company's bankers. Taking all of these into consideration, the director has concluded that the Group and Company will continue to operate as a going concern for the foreseeable future, and accordingly the financial statements are prepared on a going concern basis.

2.4 Foreign currency translation

Functional and presentation currency

The Group and 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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

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

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue 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 revenue 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.

**Sale of electricity**

Revenue from the sale of electricity is recognised on an accruals basis at the point of generation and when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rental of plant**

Revenue from the rental of plant is recognised on an accruals basis during the period of rental.

2.6 Interest income

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

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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**2. Accounting policies (continued)**

**2.7 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.

**2.8 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 Group in independently administered funds.

**2.9 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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2. Accounting policies (continued)

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Assets under construction	- No depreciation charged
Plant and machinery	- 25% reducing balance
Motor vehicles	- 35% reducing balance
Fixtures, fittings & computers	- 15% - 33% reducing balance
Waste to Energy Plant	- 25% straight line

Land is not depreciated.

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 Consolidated Statement of Comprehensive Income.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 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 balance sheet 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.

2.13 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.



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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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2. Accounting policies (continued)

2.14 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 Consolidated 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 Group's cash management.

2.15 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.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.18 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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2. Accounting policies (continued)

2.18 Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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

The Director makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fixed assets

Depreciation is charged with due consideration to the useful economic life and residual value of fixed assets and the continuing appropriateness of the applied policy is considered on an annual basis by the director. There is judgement in assessing the appropriateness of the useful economic life and the criteria regarding when to commence depreciation following the installation of items of plant.

Provisions for bad debts

Trade debtors are assessed for recoverability at each reporting date and provision is made for all bad and doubtful debts on a reasonable and prudent basis.

Valuation of stocks and work in progress

Ongoing contracts are reviewed at each reporting date and full provision is made for losses on onerous contracts in the period during which they are first foreseen.

Deferred tax

The recognition of the deferred tax asset involves an assessment of likely future taxable profits and the consequent realisation of the deferred tax asset.

Critical areas of judgement

Currently K. J. Wykes Limited is jointly owned on a 50/50 basis between the Company and Ancillary Components Limited, another company owned by the Director. The Company exercises full control over K. J. Wykes Limited and its decisions. Due to this judgement, it is treated as a wholly owned subsidiary in these financial statements and as an investment in the Ancillary Components Limited financial statements. A review is being undertaken as to the appropriate control structure for future years.

4. Turnover

The whole of the turnover is attributable to the principal activities of the group.

Analysis of turnover by country of destination:

	2021	As restated 2020
	£000	£000
United Kingdom	30,550	26,401
Rest of Europe	164	101
Rest of the world	53	453
	<u>30,767</u>	<u>26,955</u>

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**5. Other operating income**

	2021 £000	As restated 2020 £000
Net rents receivable	137	153
Service charges	46	45
Management services	97	96
Consultancy income	86	84
Solar management charge	41	40
	<u>407</u>	<u>418</u>

**6. Operating profit/(loss)**

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

	2021 £000	As restated 2020 £000
Exchange differences	(20)	(154)
Depreciation of tangible fixed assets	3,804	4,559
Profit on disposal of tangible fixed assets	(17)	(12)
	<u>          </u>	<u>          </u>

**7. Auditor's remuneration**

	2021 £000	2020 £000
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	<u>25</u>	<u>21</u>
<b>Fees payable to the Group's auditor in respect of:</b>		
Taxation compliance services	6	7
Other services relating to taxation	-	1
All other services	6	3
	<u>12</u>	<u>11</u>

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**8. Staff costs**

Staff costs, including director's remuneration, were as follows:

	Group	Group As restated	Company	Company
	2021	2020	2021	2020
	£000	£000	£000	£000
Wages and salaries	3,354	3,490	3,105	3,230
Social security costs	400	414	371	387
Costs of defined contribution scheme	43	179	38	174
	<u>3,797</u>	<u>4,083</u>	<u>3,514</u>	<u>3,791</u>

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

	2021	As restated 2020
	No.	No.
Production staff	47	50
Administrative and management staff	33	35
	<u>80</u>	<u>85</u>

**9. Director's remuneration**

	2021	2020
	£000	£000
Director's emoluments	<u>149</u>	<u>149</u>

There were £1k of retirement benefits accruing to the director (2020: £1k).

**10. Interest receivable**

	2021	As restated 2020
	£000	£000
Other interest receivable	<u>92</u>	<u>101</u>

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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11. Interest payable and similar expenses

	2021 £000	2020 £000
Other loan interest payable	305	304

12. Taxation

	2021 £000	As restated 2020 £000
<b>Corporation tax</b>		
Current tax on profits for the year	566	243
Adjustments in respect of previous periods	(63)	(18)
<b>Total current tax</b>	503	225
<b>Deferred tax</b>		
Origination and reversal of timing differences	(543)	(341)
<b>Total deferred tax</b>	(543)	(341)
<b>Taxation on loss on ordinary activities</b>	(40)	(116)

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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12. Taxation (continued)

Factors affecting tax charge for the year

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

	2021 £000	2020 £000
Profit/(loss) on ordinary activities before tax	2,159	(337)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	410	(64)
Effects of:		
Expenses not deductible for tax purposes	16	-
Adjustments to tax charge in respect of prior periods	(63)	(18)
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	-	2
Remeasurement of deferred tax for changes in tax rates	(499)	(142)
Other differences leading to an increase (decrease) in the tax charge	96	106
Total tax charge/(credit) for the year	(40)	(116)

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

13. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £2,061k (2020 - loss of £375k).

**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

**14. Tangible fixed assets**

**Group**

	Freehold Property & Land £000	Assets Under Construction £000	Plant and Machinery £000	Motor Vehicles £000
<b>Cost or valuation</b>				
At 1 September 2020 (as previously stated)	4,930	79	2,123	474
Prior Year Adjustment	-	-	1	-
At 1 September 2020 (as restated)	4,930	79	2,124	474
Additions	236	25	20	56
Reclassification	1,200	-	-	-
Disposals	-	-	-	(105)
At 31 August 2021	6,366	104	2,144	425
<b>Depreciation</b>				
At 1 September 2020 (as previously stated)	1,306	-	1,932	329
Prior Year Adjustment	-	-	1	-
At 1 September 2020 (as restated)	1,306	-	1,933	329
Charge for the year on owned assets	89	-	53	63
Disposals	-	-	-	(83)
At 31 August 2021	1,395	-	1,986	309
<b>Net book value</b>				
At 31 August 2021	4,971	104	158	116
At 31 August 2020 (as restated)	3,625	79	191	145



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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**14. Tangible fixed assets (continued)**

	Fixtures, Fittings & Computers £000	Waste to Energy plant £000	Total £000
<b>Cost or valuation</b>			
At 1 September 2020 (as previously stated)	596	38,769	46,971
Prior Year Adjustment	1	-	2
At 1 September 2020 (as restated)	597	38,769	46,973
Additions	9	3,655	4,001
Reclassification	-	-	1,200
Disposals	-	-	(105)
At 31 August 2021	606	42,424	52,069
<b>Depreciation</b>			
At 1 September 2020 (as previously stated)	529	33,469	37,565
Prior Year Adjustment	-	-	1
At 1 September 2020 (as restated)	529	33,469	37,566
Charge for the year on owned assets	21	3,579	3,805
Disposals	-	-	(83)
At 31 August 2021	550	37,048	41,288
<b>Net book value</b>			
At 31 August 2021	56	5,376	10,781
At 31 August 2020 (as restated)	67	5,300	9,407

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**14. Tangible fixed assets (continued)**

**Company**

	Freehold Property £000	Assets Under Construction £000	Plant and Machinery £000	Motor Vehicles £000
<b>Cost or valuation</b>				
At 1 September 2020	4,930	79	2,123	474
Additions	236	25	20	56
Reclassification	1,200	-	-	-
Disposals	-	-	-	(105)
At 31 August 2021	6,366	104	2,143	425
<b>Depreciation</b>				
At 1 September 2020	1,306	-	1,932	329
Charge for the year on owned assets	89	-	53	63
Disposals	-	-	-	(83)
At 31 August 2021	1,395	-	1,985	309
<b>Net book value</b>				
At 31 August 2021	4,971	104	158	116
At 31 August 2020	3,625	79	191	145

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**14. Tangible fixed assets (continued)**

	<b>Fixtures, Fittings &amp; Computers £000</b>	<b>Waste to Energy plant £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>			
At 1 September 2020	596	38,769	46,971
Additions	9	3,655	4,001
Reclassification	-	-	1,200
Disposals	-	-	(105)
At 31 August 2021	<u>605</u>	<u>42,424</u>	<u>52,067</u>
<b>Depreciation</b>			
At 1 September 2020	529	33,469	37,565
Charge for the year on owned assets	21	3,579	3,805
Disposals	-	-	(83)
At 31 August 2021	<u>550</u>	<u>37,048</u>	<u>41,287</u>
<b>Net book value</b>			
At 31 August 2021	<u>55</u>	<u>5,376</u>	<u>10,780</u>
At 31 August 2020	<u>67</u>	<u>5,300</u>	<u>9,407</u>

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**15. Fixed asset investments**

**Company**

	<b>Restated Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 September 2020	75
At 31 August 2021	<u>75</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Wykes Engineering (Europe) Limited	Isle of Man	Ordinary	100%
K.J. Wykes Limited*	England	Ordinary	50%

\* Please refer to note 3 in respect of the judgement applied by the Director and management in these financial statements and note 24 in respect of the prior year adjustment.

**16. Stocks**

	<b>Group</b>	<b>Group As restated</b>	<b>Company</b>	<b>Company</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Raw materials and consumables	67	43	66	42
Work in progress	2,649	3,102	2,649	3,102
Property trading stock	-	1,200	-	1,200
	<u>2,716</u>	<u>4,345</u>	<u>2,715</u>	<u>4,344</u>

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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**17. Debtors**

	Group 2021 £000	Group As restated 2020 £000	Company 2021 £000	Company 2020 £000
Trade debtors	4,589	5,342	4,561	5,394
Amounts owed by group undertakings	-	-	2	1
Amounts owed by related parties (note 27)	3,146	4,603	3,121	4,603
Other debtors	785	123	788	35
Short term loans to related parties (note 27)	20,850	18,050	20,850	18,050
Prepayments and accrued income	818	85	818	85
Deferred taxation	2,079	1,535	2,079	1,535
	<u>32,267</u>	<u>29,738</u>	<u>32,219</u>	<u>29,703</u>

Amounts owed by group undertakings, associated undertakings and other related parties are unsecured, interest free and repayable on demand.

**18. Cash and cash equivalents**

	Group 2021 £000	Group As restated 2020 £000	Company 2021 £000	Company 2020 £000
Cash at bank and in hand	<u>2,879</u>	<u>3,133</u>	<u>115</u>	<u>291</u>

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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

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

	Group	Group As restated	Company	Company
	2021	2020	2021	2020
	£000	£000	£000	£000
Payments received on account	146	218	146	218
Trade creditors	1,590	3,001	1,525	2,870
Amounts owed to group undertakings	-	-	1,870	1,778
Amounts owed to related parties (note 27)	4,055	1,869	4,055	1,814
Corporation tax	503	243	470	223
Other taxation and social security	1,197	709	1,162	680
Other creditors	5,764	7,481	5,760	7,481
Accruals and deferred income	99	13	99	-
	<u>13,354</u>	<u>13,534</u>	<u>15,087</u>	<u>15,064</u>

Amounts owed to associated undertakings are unsecured, interest free and repayable on demand.

**20. Financial instruments**

	Group	Group As restated	Company	Company
	2021	2020	2021	2020
	£000	£000	£000	£000
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	2,879	3,133	115	291
Financial assets that are debt instruments measured at amortised cost	30,114	28,118	30,066	28,083
	<u>32,993</u>	<u>31,251</u>	<u>30,181</u>	<u>28,374</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(11,654)	(12,582)	(13,455)	(14,161)

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings and related parties, other debtors, short term loans to other related parties and accrued income.

Financial liabilities measured at amortised cost comprise payments received on account, trade creditors, amounts owed to group undertakings and related parties, other creditors and accruals.

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**WYKES ENGINEERING CO. (RUSHDEN) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Deferred taxation**

**Group**

	<b>2021 £000</b>
At beginning of year	1,535
Charged to profit or loss	544
<b>At end of year</b>	<b>2,079</b>

**Company**

	<b>2021 £000</b>
At beginning of year	1,535
Charged to profit or loss	544
<b>At end of year</b>	<b>2,079</b>

The deferred tax asset is made up as follows:

	<b>Group</b>	<b>Group As restated</b>	<b>Company</b>	<b>Company</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Accelerated capital allowances	1,165	898	1,165	898
Director's loan account interest accrual	912	637	912	637
Other timing differences	2	-	2	-
	<b>2,079</b>	<b>1,535</b>	<b>2,079</b>	<b>1,535</b>

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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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22. Share capital

	2021 £000	2020 £000
<b>Authorised</b>		
3,000 (2020 - 3,000) Ordinary shares of £1.00 each	3	3
<b>Allotted, called up and fully paid</b>		
1,000 (2020 - 1,000) Ordinary shares of £1.00 each	1	1

Each share carries one voting right but not right to fixed income.

23. Reserves

**Profit and loss account**

Includes all current and prior period retained profits and losses.

24. Prior year adjustment

These financial statements have been prepared to reflect the critical area of judgement disclosed in note 3. As such, the prior year opening reserves and comparatives have been adjusted. The restatement results in prior year opening reserves increasing by £736k (being 50% of the prior year opening reserves of K. J. Wykes Limited), a decrease in the group loss for the prior year of £91k from £313k to £222k and an increase in prior year group net assets of £870k from £32,219k to £33,089k.

25. Contingent liabilities

The group entered into an omnibus guarantee and set off agreement with associated and commonly held companies in respect of any indebtedness to Lloyds Bank Plc in respect of a loan to Chelveston Renewable Energy Limited. This is secured by fixed and floating charges over all of the company's assets. The amount of debt outstanding owed by Chelveston Renewable Energy Ltd as at 31 August 2021 was £4,346k (2020: £5,886k).

26. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £43k (2020 - £179k). Contributions totalling £14k (2020 - £15k) were payable to the fund at the balance sheet date and are included in creditors.



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WYKES ENGINEERING CO. (RUSHDEN) LIMITED

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**27. Related party transactions**

The Company and Group has taken advantage of the exemption available according with 'Section 33 'Related party disclosures' not to disclose transactions entered into between two or more members of a Group that are wholly owned.

During the year, the Group traded with the following companies in which Mr D J Wykes is the director and/or shareholder:

	2021 £000	As restated 2020 £000
<b>Entities over which individuals with significant influence or control over the entity have significant influence or control</b>		
Amounts included in debtors	23,996	23,971
Amounts included in creditors	4,055	1,869
Total sales	17,550	13,994
Total purchases	9,805	10,821

At 31 August 2021, the group owed £3,975k (2020: £6,015k) to Mr D J Wykes in respect of his director's loan account, which includes accrued interest. This loan attracts interest at a rate of 8% per annum. The capital is repayable on demand.

At 31 August 2021, the group owed £82k (2020: £82k) to Mrs E J Wykes, this balance includes accrued interest. This loan attracts interest at a rate of 8% per annum. The capital is repayable on demand.

At 31 August 2021, the group owed £50k (2020: £50k) to the late Mr K J Wykes. This loan does not attract interest and is repayable on demand.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director. Total compensation payable to key management personnel during the year amounted to £149k (2020: £167k).

**28. Post balance sheet events**

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Director has carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and has concluded that this is a non-adjusting post balance sheet event with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Director has taken account of these potential impacts in his going concern assessment.

**29. Controlling party**

Mr D J Wykes is this group's controlling related party by virtue of his office and shareholding in the company.