Hoerbiger UK Limited

Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 02072970

Amended accounts
7th March 2024

Hoerbiger UK Limited

Company Information

Directors	L H Westlund A G Howker
Registered number	02072970
Registered office	Unit 2 Maple Park Lowfields Avenue Leeds West Yorkshire LS12 6HH
Independent auditor	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL

Hoerbiger UK Limited

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Hoerbiger UK Limited

Strategic Report
For the Year Ended 31 December 2022

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2022.

Fair review of the business

	2022 £'000	2021 £'000
Turnover	**3,131**	2,831
Gross profit	**1,512**	956
Gross margin	**48%**	34%

The company continues to operate in a highly competitive and challenging market place however with the easing of UK lockdowns and people returning to the office net sales in 2022 were recovered slightly by 10.6% on the prior year.

In 2022 repairs reduced from 61% (2021) to 47% (2022). Spare parts supply remained relatively stable at 33% (18% - 2021). Although solutions sales continued to be impacted by the global downturn as our customer base spent less on capital intensive projects we are expecting solution sales to play a bigger part in 2023.

Continued careful control of costs on jobs and projects have enabled the business to maintain target margins and a sustainable base to build from. Further reviews and reduction of stock holding have been implemented in 2022. The directors have seen an improved market in 2023 and have reason to expect this to continue into 2024. In addition to this the company has developed its sales offering and is now approaching new customers.

The directors consider the future prospects to be satisfactory.

Principal risks and uncertainties

Market

Commodities markets should weather a recession better than most should one arise as a result of the current energy crisis and inflationary pressures upon the economy. The majority of our customers are in petrochemical and power generation, which are protected sectors and we are seeing continued strong investment by these customers in these segments.

Credit risk

Credit risk arises from cash and cash equivalents, receivables from customers and deposits with banks and financial institutions, including committed transactions. The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Where a potential risk has been identified, advanced payment is required. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the management of the company.

Liquidity risk

Liquidity risk is the risk that the company will not have sufficient cash and debt facilities to meet future obligations. The company prepares annual forecasts of future requirements and monitors cash flow on an ongoing basis. The company has interco interest bearing loan but the servicing and repayment of this loan is largely supported by the performance of its subsidiaries, in particular Newson Gale which in 2022 continued to perform well. During the year 2022 Newson Gale has paid dividends to Hoerbiger UK Limited.

Principal risks and uncertainties (continued)

Regulatory risk

The company manages risk in many ways. Group risk assurance supports the local business in identifying, managing and complying with regulatory requirements globally and locally. The integrated management system and regular internal audits and reporting further strengthen compliance. The business also operates training on topics such as GDPR, bribery and anti trust and workplace safety to ensure compliance with regulations.

This report was approved by the board on 7th March 2024 and signed on its behalf.

A G Howker
Director

Date: 07/03/2024

Hoerbiger UK Limited

Director's Report
For the Year Ended 31 December 2022

The director presents his report together with the audited financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the company continued to be that of the sale and distribution of compressor parts, compressor component repair and the overhaul, maintenance, upgrading and revamping of compressors and other rotating equipment. The company also acts as a holding company for the HOERBIGER UK Group, holding shares in Newson Gale Limited and IEP Technologies Limited. Further details of their operation, results and risks are included in their respective financial statements.

Results and dividends

The profit for the year, after taxation, amounted to £1,092,148 (2021 - loss £257,637).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Director

The director who served during the year was:

L H Westlund

The following director resigned after year end:

R J Yates (resigned 15 September 2023)

The following director was appointed after year end:

A G Howker (appointed 02 October 2023)

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the approval of the financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Over the course of 2022, a significant increase in customer activity was noted. Whereas the majority of this activity relates to longer term projects, the outlook and performance was marginally improved for 2022 over the prior year. This has continued in 2023 and into 2024. Local operational results remain healthy with renewed focus on inventory control.

After reviewing the company's latest management information, cash flow forecasts and making enquiries regarding the continuing performance of its subsidiary undertaking Newson Gale Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the approval of the financial statements, meeting its liabilities as they fall due.

Going concern (continued)

This includes the ability of the company to continue to make the annual repayments of capital due on the intragroup loans due as set out in note 19 of the financial statements. The schedule payment of £1.5m due at the end of December 2023 was made as planned with funds generated from the company's own activities and from a dividend from its subsidiary undertaking, Newson Gale Limited. The directors have considered the ability of the company to make the repayment of £1.5m due in December 2024 and are satisfied that this will be settled as planned.

Notwithstanding this, a letter of support has been received from the company's parent company, which provides continued support if required for at least 12 months from the signing of the financial statements. The directors have made enquiries to assess the ability of the parent company to provide such support if it was required, and have assessed that Hoerbiger Wien GmbH can provide such support.

For the reasons set out above, the directors have prepared the financial statements on a going concern basis and have concluded that there are no material uncertainties relating to going concern.

Culture and employee engagement

In 2022 Hoerbiger carried out our Voice for Excellence employee survey once more. The UK showed an improved engagement and performance environment giving confidence to the management team that the pandemic had been handled properly by the business.

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped person. Where existing employees become disabled, it is the company's policy, wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

Disclosure of information to auditor

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

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

Auditor

BDO LLP were appointed auditor to the company for the year ended 31 December 2022. Pursuant to Section 487 of the Companies Act, BDO LLP will cease to act as auditor at the end of the next period for appointing auditors.

This report was approved by the board on 7th March 2024 and signed on its behalf.

A G Howker
Director

Date: 07/03/2024

Director's Responsibilities Statement
For the Year Ended 31 December 2022

The director is responsible for preparing the strategic report, the director's report and the 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 directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Hoerbiger UK Limited

Opinion on the financial statements

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 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.

We have audited the financial statements of Hoerbiger UK Limited ("the company") for the year ended 31 December 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 included in the annual report other than the financial statements and our auditor's report 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.

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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations
Based on:

- Our understanding of the company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the UK company Law and the UK tax legislation.

The company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation etc.

Our procedures in respect of the above included:

- Enquiry with those charged with governance for any instances of non-compliance with laws and regulations;
- Enquiry and reviewing of any correspondence with tax authorities for any instances of non-compliance with laws and regulations (where applicable);
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud
We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the area most susceptible to fraud to be revenue cut-off and management override of controls.

Auditor's responsibilities for the audit of the financial statements (continued)

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of sales invoices recorded around the year end date by reference to documentation as to whether revenue had been recorded in the correct accounting period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Neil Ebdon
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Neil Ebdon (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds
United Kingdom

Date: 07 March 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Hoerbiger UK Limited

Profit and Loss Account
For the Year Ended 31 December 2022

	Note	2022 £	As restated 2021 £
Turnover	4	**3,131,215**	2,831,373
Cost of sales		**(1,618,894)**	(1,875,326)
Gross profit		**1,512,321**	956,047
Administrative expenses		**(1,840,514)**	(1,168,889)
Other operating income	5	**498,668**	300,217
Operating profit		**170,475**	87,375
Income from other fixed asset investments	9	**1,330,000**	-
Interest payable and similar charges	10	**(440,837)**	(398,005)
Profit/(loss) before tax		**1,059,638**	(310,630)
Tax on profit/(loss)	11	**32,510**	52,993
Profit/(loss) for the financial year		**1,092,148**	(257,637)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 34 form part of these financial statements.

Hoerbiger UK Limited

Statement of Comprehensive Income
For the Year Ended 31 December 2022

	2022 £	As restated 2021 £
Profit/(loss) for the financial year	**1,092,148**	(257,637)
Other comprehensive income		
Actuarial gain on defined benefit schemes	**-**	8,294
Total comprehensive income/(loss) for the year	**1,092,148**	(249,343)

The notes on pages 14 to 34 form part of these financial statements.

Hoerbiger UK Limited
Registered number: 02072970

Balance Sheet
As at 31 December 2022

	Note	2022 £	2022 £	As restated 2021 £	As restated 2021 £
Fixed assets					
Tangible assets	13		**138,422**		135,687
Investments	14		**19,226,401**		19,226,401
			19,364,823		19,362,088
Current assets					
Stocks	15	**105,973**		99,753	
Debtors: amounts falling due within one year	16	**1,356,322**		1,166,917	
Cash at bank and in hand		**6,971**		64	
		1,469,266		1,266,734	
Creditors: amounts falling due within one year	17	**(2,680,319)**		(2,067,200)	
Net current liabilities			**(1,211,053)**		(800,466)
Total assets less current liabilities			**18,153,770**		18,561,622
Creditors: amounts falling due after more than one year	18		**(4,500,000)**		(6,000,000)
Net assets			**13,653,770**		12,561,622
Capital and reserves					
Called up share capital	23		**4,600,000**		4,600,000
Revaluation reserve	22		**(2,281)**		(2,281)
Other reserves	22		**100,000**		100,000
Profit and loss account	22		**8,956,051**		7,863,903
Total equity			**13,653,770**		12,561,622

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7th March 2024

A G Howker
Director

The notes on pages 14 to 34 form part of these financial statements.

Hoerbiger UK Limited

Statement of Changes in Equity
For the Year Ended 31 December 2022

	Called up share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2022	4,600,000	(2,281)	100,000	7,863,903	12,561,622
Comprehensive income for the year					
Profit for the year	-	-	-	1,092,148	1,092,148
Total comprehensive income for the year	-	-	-	1,092,148	1,092,148
At 31 December 2022	4,600,000	(2,281)	100,000	8,956,051	13,653,770

Statement of Changes in Equity
For the Year Ended 31 December 2021 (restated)

	Called up share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2021 (as previously stated)	4,600,000	(2,281)	100,000	7,949,968	12,647,687
Prior year adjustment - correction of error (refer note 27)	-	-	-	163,278	163,278
At 1 January 2021 (as restated)	4,600,000	(2,281)	100,000	8,113,246	12,810,965
Comprehensive loss for the year					
Loss for the year (restated)(refer note 27)	-	-	-	(257,637)	(257,637)
Actuarial gains on defined benefit plans	-	-	-	8,294	8,294
Total comprehensive loss for the year	-	-	-	(249,343)	(249,343)
At 31 December 2021 (restated)	4,600,000	(2,281)	100,000	7,863,903	12,561,622

The notes on pages 14 to 34 form part of these financial statements.

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

1. General information

Hoerbiger UK Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity are set out in the directors' report/strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hoerbiger Wien GmbH as at 31 December 2022 and these financial statements may be obtained from Baarerstrasse, 18 Postfache, 4348 CH-Zug, Switzerland.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Hoerbiger UK Limited is a wholly owned subsidiary of Hoerbiger Wien GmbH and the results of Hoerbiger UK Limited and it's subsidiary undertakings are included in the consolidated financial statements of Hoerbiger Wien GmbH which are available from Baarerstrasse, 18 Postfache, 4348 CH-Zug, Switzerland.

2. Accounting policies (continued)

2.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the approval of the financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Over the course of 2022, a significant increase in customer activity was noted. Whereas the majority of this activity relates to longer term projects, the outlook and performance was marginally improved for 2022 over the prior year. This has continued in 2023 and into 2024. Local operational results remain healthy with renewed focus on inventory control.

After reviewing the company's latest management information, cash flow forecasts and making enquiries regarding the continuing performance of its subsidiary undertaking Newson Gale Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the approval of the financial statements, meeting its liabilities as they fall due.

This includes the ability of the company to continue to make the annual repayments of capital due on the intragroup loans due as set out in note 19 of the financial statements. The schedule payment of £1.5m due at the end of December 2023 was made as planned with funds generated from the company's own activities and from a dividend from its subsidiary undertaking, Newson Gale Limited. The directors have considered the ability of the company to make the repayment of £1.5m due in December 2024 and are satisfied that this will be settled as planned.

Notwithstanding this, a letter of support has been received from the company's parent company, which provides continued support if required for at least 12 months from the signing of the financial statements. The directors have made enquiries to assess the ability of the parent company to provide such support if it was required, and have assessed that Hoerbiger Wien GmbH can provide such support.

For the reasons set out above, the directors have prepared the financial statements on a going concern basis and have concluded that there are no material uncertainties relating to going concern.

2.4 Turnover

Turnover represents amounts chargeable, excluding value added tax and trade discounts, in respect of the sale of goods and services to customers. Turnover from the sale of goods is recognised when the goods are physically dispatched to the customer. Turnover relating to service activity is recognised on completion of the service work in line with Hoerbiger group accounting policy.

Other income relates to recharges to group companies in respect of particular payroll cost and freight charged on sales to customers and freight income relates to recharges of freight costs to customers.

2. *Accounting policies (continued)*

2.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

2.6 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Software	-	33 % straight line

2.7 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, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 6.7% straight line
Plant and equipment	- 10-20% straight line

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

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

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

2.8 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. unless the relevant asset is carried at a revalued amount. in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2. Accounting policies (continued)

2.10 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 weighted average 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.

2.11 Cash and cash equivalents

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

2.12 Financial instruments

The company 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.

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 profit and loss account.

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 company 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.

2. Accounting policies (continued)

2.13 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2.14 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Defined benefit pension plan

The company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:
a) the increase in net pension benefit liability arising from employee service during the period; and
b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2. Accounting policies (continued)

2.15 Operating leases: the company as lessee

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

2.16 Foreign currency translation

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. Nonmonetary 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 profit or loss account within 'administrative expenses'. All other foreign exchange gains and losses are presented in the profit or loss account within 'administrative expenses'.

2.17 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.

2.18 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.19 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.20 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. Accounting policies (continued)

2.21 Provisions for liabilities

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 profit or loss in the year that the company 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.

2.22 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met..

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In preparing these financial statements, the directors have made the following judgements:

Recoverability of defined benefit scheme surplus

The directors have considered the ability to recognise the asset of £116,520 in respect of the defined benefit surplus. Having regard to the ongoing administrative costs that the pension scheme is expected to incur then the directors consider it highly unlikely that there would be any future return of asset to the company. On this basis no asset has been recognised at the balance sheet date (2021 - £Nil).

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Service operations	**3,131,215**	2,831,373

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	**2,452,365**	2,549,987
Rest of Europe	**343,824**	199,162
Rest of the world	**335,026**	82,224
	3,131,215	2,831,373

5. Other operating income

	2022 £	2021 £
Recharges to other group companies	**454,122**	247,212
Freight income	**34,657**	47,707
Other interest receivable	**9,889**	5,298
	498,668	300,217

6. Operating profit

Operating profit for the year is stated after charging:

	2022 £	2021 £
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	**8,478**	5,242
Fees payable to the company's auditor for the audit of the company's financial statements	**28,750**	18,600
Depreciation of owned tangible fixed assets	**28,991**	28,554
Cost of stocks recognised as an expense	**1,361,427**	1,268,430
Operating lease charges	**95,968**	98,478

7. Employees

	2022 £	2021 £
Wages and salaries	**976,515**	798,598
Social security costs	**119,837**	99,987
Cost of defined contribution scheme	**43,736**	55,670
	1,140,088	954,255

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

	2022 No.	2021 No.
Sales and technical	**5**	5
Administration, production service and clerical	**2**	5
Production and service	**9**	5
	16	15

8. Director's remuneration

	2022 £	2021 £
Director's emoluments	**105,238**	85,281
Company contributions to defined contribution pension schemes	**7,834**	7,633
	113,072	92,914

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

9. Income from other fixed asset investments

	2022 £	2021 £
Income from shares in group undertakings	**1,330,000**	-

10. Interest payable and similar charges

	2022 £	2021 £
Interest on bank overdrafts and loans	**439,278**	394,181
Other interest	**1,559**	3,824
	440,837	398,005

11. Taxation

	2022 £	As restated 2021 £
Corporation tax		
Current tax on profits for the year (restated)(refer note 27)	**(32,510)**	(52,993)
Total current tax	**(32,510)**	(52,993)
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Taxation on loss on ordinary activities	**(32,510)**	(52,993)

Factors affecting tax charge for the year

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

	2022 £	As restated 2021 £
Profit/(loss) on ordinary activities before tax	**1,059,638**	(310,629)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	**201,331**	(59,019)
Effects of:		
Tax effect of income not taxable in determining taxable profit	**(253,297)**	-
Group relief transferred to group entity	**19,456**	-
Other differences	-	6,026
Total tax charge for the year	**(32,510)**	(52,993)

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023.

12. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2022 and 31 December 2022	216,046	277,227	493,273
Amortisation			
At 1 January 2022 and 31 December 2022	216,046	277,227	493,273
Net book value			
At 31 December 2022	-	-	-
At 31 December 2021	-	-	-

13. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2022	95,969	1,488,387	1,584,356
Additions	-	31,726	31,726
Regrouping adjustments	12,300	(12,300)	-
At 31 December 2022	108,269	1,507,813	1,616,082
Depreciation			
At 1 January 2022	39,236	1,409,433	1,448,669
Charge for the year	6,788	22,203	28,991
At 31 December 2022	46,024	1,431,636	1,477,660
Net book value			
At 31 December 2022	62,245	76,177	138,422
At 31 December 2021	56,733	78,954	135,687

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	19,226,401
At 31 December 2022	19,226,401

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Principal activity	Class of shares	Holding
IEP Technologies Limited	Unit 1 Neptune Business Centre, Cheltenham, Gloucestershire, GL51 9FB	Explosion protection systems	Ordinary	100%
Newson Gale Limited	Regent House. Clinton Avenue, Nottingham, NGS 1AZ	Static electricity protection systems	Ordinary	100%

15. Stocks

	2022 £	2021 £
Raw materials and consumables	-	50
Work in progress	60,688	56,450
Finished goods and goods for resale	45,285	43,253
	105,973	99,753

Stocks are shown net of provisions totalling £31,902 (2021 - £28,662).

16. Debtors: amounts falling due after more than one year

	2022 £	2021 £
Trade debtors	**1,083,734**	943,365
Amounts owed by group undertakings	**238,815**	158,828
Other debtors	**896**	11,542
Prepayments and accrued income	**32,877**	53,182
	1,356,322	1,166,917

Amounts owed by group undertakings include balances held in the group cashpooling facility totalling £8,281 (2021 - £28,936) and are unsecured, interest free and are repayable on demand.

17. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	**-**	130
Trade creditors	**117,490**	60,885
Amounts owed to group undertakings	**718,384**	201,766
Intragroup loan	**1,500,000**	1,500,000
Payments received on account	**3,692**	-
Corporation tax (restated) (refer note 27)	**-**	-
Other taxation and social security	**212,611**	151,282
Other creditors	**11,967**	57,733
Accruals and deferred income	**116,175**	95,404
	2,680,319	2,067,200

Amounts owed to group are unsecured, interest free and are repayable on demand. The intragroup loan represents the current portion of a loan received from Interhoerbiger Finanz AG and accrues interest charged at 3 month LIBOR plus 4.25% with an ultimate maturity date for the loan of 31 December 2026.

18. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Intragroup loan	**4,500,000**	6,000,000

The intragroup loan represents the non-current portion of a loan received from Interhoerbiger Finanz AG and accrues Interest charged at 3 month LIBOR plus 4.25% with an ultimate maturity date for the loan of 31 December 2026.

19. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Intragroup loan	**1,500,000**	1,500,000
	1,500,000	1,500,000
Amounts falling due 2-5 years		
Intragroup loan	**4,500,000**	6,000,000
	4,500,000	6,000,000
	6,000,000	7,500,000

20. Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	**43,736**	55,670

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The scheme completed a buy-out of its remaining liabilities on 31 March 2022 with Phoenix. Upon completion of the Buy-out all the remaining cash sums due to the members of the scheme were secured with Phoenix.

Defined benefit schemes

The company operates a defined benefit scheme for qualifying employees who are entitled to retirement benefits as a percentage of their final salary. The scheme is now closed to new members and future accruals.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 December 2022 by Mercer Limited, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

20. Retirement benefit schemes (continued)

	2022	2021
	%	%
Key assumptions		
Discount rate - Year end	5.6	1.9
Discount rate - Date of settlement	2.8	N/A

Since the scheme provides for a defined benefit on retirement, assumptions regarding future inflation rates and salary charges are not applicable.

	2022	2021
	£	£
Amounts recognised in the profit and loss account		
Net interest on net defined benefit liability/(asset)	(2,827)	(1,872)

	2022	2021
	£	£
Amounts taken to other comprehensive income		
Actual return on scheme assets	(3,998)	(32,050)
Less: calculated interest element	3,144	4,408
Return on scheme assets excluding interest income	(854)	(27,642)
Actuarial changes related to obligations	-	(4,081)
Effect of changes in the amount of surplus that is not recoverable	-	(1,580)
Total costs/(income)	(854)	(33,303)

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2022	2021
	£	£
Present value of defined benefit obligations	-	167,509
Fair value of plan assets	116,520	(316,291)
Surplus in scheme	116,520	(148,782)
Unrecognised surplus	(116,520)	148,782
Total liability recognised	-	-

20. Retirement benefit schemes (continued)

	2022 £	2021 £
Movements in the present value of defined benefit obligations		
Liabilities at 1 January	**167,509**	169,054
Benefits paid	**(7,788)**	(19,271)
Actuarial gains and losses	**-**	(4,081)
Interest cost	**796**	2,536
Expenses	**-**	19,271
Loss on settlements	**4,893**	-
Settlement payments from plan assets	**(156,669)**	-
Effects of experience adjustments	**(8,741)**	-
At 31 December	**-**	167,509

The defined benefit obligations arise from plans which are wholly funded.

	2022 £	2021 £
Movements in the fair value of plan assets		
Fair value of assets at 1 January	**316,291**	303,512
Interest income	**3,144**	4,408
Return on plan assets (excluding amounts included in net interest)	**(7,142)**	27,642
Benefits paid	**(7,788)**	(19,271)
Settlement payments from plan assets	**(156,669)**	-
Administration expense paid from plan assets	**(31,316)**	-
At 31 December	**116,520**	316,291

The actual return on plan assets was £3,998 (2021 - £32,050).

20. Retirement benefit schemes (continued)

	2022 £	2021 £
Fair value of plan assets at the reporting period end		
With profits policy	**116,520**	316,291

The long term expected rate of return on the With Profits Policy is determined by reference to long dated government bond yields with an allowance for out-performance in part of the assets in relation to the underlying asset split.

None of the fair values of the assets above include any of the company's own financial instruments or any property occupied by, or other assets used by, the company.

The company expects to contribute £Nil to this defined benefit pension scheme in the next accounting period.

In March 2022 the remaining sums due to members of the scheme were secured through a payment to a third party. This payment represented a discharge of benefits due to members of the scheme and as such is treated as a settlement event. As a result, at 31 December 2022, the defined benefit obligation is £Nil.

21. Commitments under operating leases

The company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Within one year	**84,334**	61,359
In two to five years	**262,482**	117,132
After five years	**123,366**	-
	470,182	178,491

22. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Revaluation and Other reserves

Directors are of the opinion that the other reserves are non-distributable.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

23. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
4,600,000 (2021 - 4,600,000) Ordinary shares of £1 each	**4,600,000**	4,600,000

24. Related party transactions

The company has taken advantage of the exemption granted in Section 33 of Financial Reporting Standards not to disclose related party transactions with wholly owned group companies. There were no other related party transactions.

25. Post balance sheet events

No post balance sheet events have been identified to the date of approval of these financial statements.

26. Ultimate controlling party

The company's immediate parent company is Hoerbiger Wien GmbH, incorporated in Austria, whose principal place of business and address is SeestadtstraBe 25, A-1220 Vienna, Austria. The ultimate reporting and controlling company is Hoerbiger Holding AG whose principal place of business is Switzerland and whose address is Baarerstrasse, 18 Postfache, 4348 CH-Zug, Switzerland. Hoerbiger Holding AG is the only company that prepares consolidated financial statements. Being a trust there is no ultimate controlling party.

27. Prior year adjustment

	Profit and Loss account as at 01 January 2021	Loss for the year ended 31 December 2021	Actuarial gain on defined benefit plans	Profit and loss account as at 31 December 2021
	£	£	£	£
As previously stated	**7,949,968**	**(251,078)**	8,294	7,707,184
Prior year adjustment - correction of error	**163,278**	**(6,559)**	-	156,719
As restated	**8,113,246**	**(257,637)**	8,294	7,863,903

In preparing the financial statements for the year ended 31 December 2022 it has come to the attention of the directors that a liability has accrued on the balance sheet in relation to current tax over the periods from 31 December 2019 which is erroneous in nature. For the years ended 31 December 2019 and 31 December 2020 the company incorrectly recorded a credit to the balance sheet of £100,710 and £62,568 respectively which should have been recorded in profit and loss relating to the recognition of income for group relief surrender to fellow group companies. An additional error of £6,559 was also identified in the prior year which related to the same issue and an incorrect mapping. This has led to an overstatement of a current tax liability balance at 31 December 2021 of £156,719.

To correct this error, a prior period adjustment has been recorded. The effect of this prior period adjustment is that there is an increase to opening equity in the prior year of £163,278 and a reduction in profit after tax of the prior year of £6,559. The impact on the closing equity of the prior year is £156,719.