

Company registration number 02141868 (England and Wales)

**ASSEMBLY TECHNIQUES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# ASSEMBLY TECHNIQUES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	N P Downing P J Hudson
<b>Company number</b>	02141868
<b>Registered office</b>	Unit 5 Tameside Court Fifth Avenue Dukinfield Cheshire SK16 4PW
<b>Auditor</b>	Cowgill Holloway LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR
<b>Bankers</b>	NatWest Warrington Street Ashton-Under-Lyne Lancashire OL6 6JL

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# ASSEMBLY TECHNIQUES LIMITED

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# ASSEMBLY TECHNIQUES LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present the strategic report for the year ended 31 December 2022.

### Review of the business

The directors are satisfied with the financial performance of the year and the financial position of the company at the year end.

The company has had another successful year in terms of both turnover and profitability and the directors expect that this growth will continue for the forthcoming year. The directors are satisfied that the company is well placed and have maintained adequate reserves and cash balances to enable sufficient mitigation of any future financial, commercial and economic risks that the company may encounter.

### Principal risks and uncertainties

The directors have considered the exposure of the company to risks. The principal risks are liquidity risk, interest rate risk, foreign currency risk and credit risk. The company is funded through its retained earnings and borrowings. The directors regularly monitor cash flow projections of the company in order to ensure that it has sufficient available funds for its continuing operations.

The company currently has borrowings that are at a variable rate of interest that was used to purchase the company. The risk is managed by monitoring key ratios such as interest cover, as well as cash flow. The company does not use derivative financial instruments to manage this risk and, as such, no hedge accounting is applied.

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling. This hedging activity involves the use of foreign exchange forward contracts.

The company has policies in place such that credit checks are made on all potential customers as part of the set new account procedures. Key suppliers are also subject to credit checks in order to mitigate supply chain failure.

### Key performance indicators

The company reviews and monitors its performance against a number of key performance indicators both financial and non-financial. As a trading company, the principal measures include turnover, gross profit margin and net assets. These are reviewed by the management team and reported to the Board on a monthly basis.

The Directors have and will continue to monitor all of the KPI's and daily operating controls and maintain a strong focus on increasing performance in all aspects of the business.

The main KPI's and corresponding results are as follows:

	2022	2021
Turnover	£16.3m	£14.1m
Gross profit margin	23.41%	23.54%
Net assets	£2.0m	£1.6m

The company has achieved increased turnover and consistent gross profit margin due to its trading activity.

The increase in net assets illustrates the increased financial strength of the company.

### Future Developments

The company has reported improvements in turnover generated from the trading activities, based on the prior years figures. This together with the strong net assets position of the company demonstrates that the company is in a strong financial position and has the ability to invest in the company's future.

# **ASSEMBLY TECHNIQUES LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

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

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On behalf of the board

N P Downing  
**Director**

15 September 2023

# **ASSEMBLY TECHNIQUES LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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

#### **Principal activities**

The principal activity of the company continued to be that of supplier and stockist of specialist fastenings and kitted proprietary products. There were no significant changes in its activity during the period.

#### **Results and dividends**

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £2,000. The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N P Downing

P J Hudson

#### **Auditor**

The auditor, Cowgill Holloway LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

**ASSEMBLY TECHNIQUES LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

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

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On behalf of the board

N P Downing  
**Director**

15 September 2023

# ASSEMBLY TECHNIQUES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ASSEMBLY TECHNIQUES LIMITED

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#### Opinion

We have audited the financial statements of Assembly Techniques Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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



# **ASSEMBLY TECHNIQUES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF ASSEMBLY TECHNIQUES LIMITED**

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

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

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussions with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: laws related to health and safety.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance.

## **ASSEMBLY TECHNIQUES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF ASSEMBLY TECHNIQUES LIMITED**

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

We design procedures in line with our responsibilities, outlined below to detect material misstatement due to fraud:

- Matters are discussed amongst the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud
- Identifying and assessing the design and effectiveness of controls that management have in place to prevent and detect fraud
- Detecting and responding to the risks of fraud following discussions with management and enquiring as to whether management have knowledge of any actual, suspected or alleged fraud;

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.

**Stuart Stead**  
**Senior Statutory Auditor**  
**For and on behalf of Cowgill Holloway LLP**

15 September 2023

**Chartered Accountants**  
**Statutory Auditor**

Regency House  
45-53 Chorley New Road  
Bolton  
BL1 4QR

# ASSEMBLY TECHNIQUES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	16,278,801	14,079,370
Cost of sales		(12,467,735)	(10,765,152)
<b>Gross profit</b>		3,811,066	3,314,218
Distribution costs		(39,274)	(39,738)
Administrative expenses		(2,851,512)	(2,237,281)
<b>Operating profit</b>	<b>4</b>	920,280	1,037,199
Interest receivable and similar income	<b>7</b>	535	12
Interest payable and similar expenses	<b>8</b>	(103,406)	(71,927)
<b>Profit before taxation</b>		817,409	965,284
Tax on profit	<b>9</b>	(489,382)	(308,708)
<b>Profit for the financial year</b>		328,027	656,576
<b>Other comprehensive income</b>			
Revaluation of tangible fixed assets		-	75,000
<b>Total comprehensive income for the year</b>		328,027	731,576

# ASSEMBLY TECHNIQUES LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	11		78,317		78,317
Tangible assets	12		2,096,105		2,209,848
			<u>2,174,422</u>		<u>2,288,165</u>
<b>Current assets</b>					
Stocks	13	2,076,297		1,498,701	
Debtors	14	1,870,749		2,166,326	
Cash at bank and in hand		292,127		133,944	
		<u>4,239,173</u>		<u>3,798,971</u>	
<b>Creditors: amounts falling due within one year</b>	15	(3,559,039)		(3,045,477)	
<b>Net current assets</b>			<u>680,134</u>		<u>753,494</u>
<b>Total assets less current liabilities</b>			<u>2,854,556</u>		<u>3,041,659</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(736,960)		(1,188,938)
<b>Provisions for liabilities</b>					
Deferred tax liability	19	146,805		207,957	
		<u>(146,805)</u>		<u>(207,957)</u>	
<b>Net assets</b>			<u>1,970,791</u>		<u>1,644,764</u>
<b>Capital and reserves</b>					
Called up share capital	21		10,000		10,000
Revaluation reserve			421,093		421,093
Profit and loss reserves			1,539,698		1,213,671
<b>Total equity</b>			<u>1,970,791</u>		<u>1,644,764</u>

The financial statements were approved by the board of directors and authorised for issue on 15 September 2023 and are signed on its behalf by:

N P Downing  
Director

Company Registration No. 02141868

# ASSEMBLY TECHNIQUES LIMITED

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

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 January 2021</b>		10,000	346,093	559,095	915,188
<b>Year ended 31 December 2021:</b>					
Profit for the year		-	-	656,576	656,576
Other comprehensive income:					
Revaluation of tangible fixed assets		-	75,000	-	75,000
Total comprehensive income for the year		-	75,000	656,576	731,576
Dividends	10	-	-	(2,000)	(2,000)
<b>Balance at 31 December 2021</b>		10,000	421,093	1,213,671	1,644,764
<b>Year ended 31 December 2022:</b>					
Profit and total comprehensive income for the year		-	-	328,027	328,027
Dividends	10	-	-	(2,000)	(2,000)
<b>Balance at 31 December 2022</b>		10,000	421,093	1,539,698	1,970,791

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Assembly Techniques Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 5, Tameside Court, Fifth Avenue, Dukinfield, Cheshire, SK16 4PW.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Assembly Techniques (Holdings) Limited. These consolidated financial statements are available from its registered office, Regency House, 45-51 Chorley New Road, Bolton, BL1 4QR.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.3 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and 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.

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	Asset not in use so no amortisation
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#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% per annum straight line
Property improvements	Over the term of the lease
Plant and machinery	15% per annum reducing balance
Fixtures, fittings & equipment	15% / 33.33% per annum reducing balance
Motor vehicles	25% per annum reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 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.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.



# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

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

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.8 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.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 2 Judgements 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.

Key estimates relate to the following:

Stock provisions are calculated based on the lower of the cost and net realisable value of what is considered to be obsolete stock.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022 £	2021 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	11,841,247	10,131,378
Rest of the world	4,437,554	3,947,992
	<u>16,278,801</u>	<u>14,079,370</u>
	2022 £	2021 £
<b>Other revenue</b>		
Interest income	535	12
	<u>535</u>	<u>12</u>

### 4 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	13,164	650
Fees payable to the company's auditor for the audit of the company's financial statements	12,000	9,000
Depreciation of owned tangible fixed assets	97,096	53,681
Depreciation of tangible fixed assets held under finance leases	62,279	89,363
Profit on disposal of tangible fixed assets	-	(19,591)
Operating lease charges	4,454	-
	<u>187,093</u>	<u>162,153</u>

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Administration	49	45

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	1,989,009	1,693,148
Social security costs	204,806	168,607
Pension costs	47,653	44,955
	2,241,468	1,906,710

### 6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	498,504	542,385

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	265,935	268,230

### 7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	535	12

### 8 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and loans	94,538	34,295
Interest on invoice finance arrangements	-	26,028
Interest on finance leases and hire purchase contracts	8,868	11,604
	103,406	71,927

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 9 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	247,852	199,796
Adjustments in respect of prior periods	302,682	-
Total current tax	550,534	199,796
<b>Deferred tax</b>		
Origination and reversal of timing differences	(61,152)	108,912
Total tax charge	489,382	308,708

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	817,409	965,284
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	155,308	183,404
Tax effect of expenses that are not deductible in determining taxable profit	113,858	73,699
Tax effect of income not taxable in determining taxable profit	-	(3,722)
Adjustments in respect of prior years	302,682	-
Permanent capital allowances in excess of depreciation	(19,432)	(51,231)
Under/(over) provided in prior years	-	(2,354)
Tax relief in respect of gift aid	(1,882)	-
Deferred tax movement	(61,152)	108,912
Taxation charge for the year	489,382	308,708

### 10 Dividends

	2022 £	2021 £
Interim paid	2,000	2,000

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 11 Intangible fixed assets

	Development costs £
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	78,317
<b>Amortisation and impairment</b>	
At 1 January 2022 and 31 December 2022	-
<b>Carrying amount</b>	
At 31 December 2022	78,317
At 31 December 2021	78,317

### 12 Tangible fixed assets

	Land and buildings Freehold £	Property improvements £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 January 2022	1,175,000	527,163	432,504	448,145	429,026	3,011,838
Additions	-	5,412	4,020	36,200	-	45,632
At 31 December 2022	1,175,000	532,575	436,524	484,345	429,026	3,057,470
<b>Depreciation and impairment</b>						
At 1 January 2022	-	39,378	238,348	370,583	153,681	801,990
Depreciation charged in the year	23,500	10,198	29,530	27,311	68,836	159,375
At 31 December 2022	23,500	49,576	267,878	397,894	222,517	961,365
<b>Carrying amount</b>						
At 31 December 2022	1,151,500	482,999	168,646	86,451	206,509	2,096,105
At 31 December 2021	1,175,000	487,785	194,156	77,562	275,345	2,209,848

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022 £	2021 £
Motor vehicles	186,837	249,117

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Tangible fixed assets

(Continued)

At 31 December 2022, had the revalued assets been carried at historic cost less accumulated depreciation, their carrying amount would have been approximately;

		Land and buildings freehold	
		2022	2021
		£	£
Cost		952,283	952,283
Accumulated depreciation		(236,468)	(217,422)
Carrying value		<u>715,815</u>	<u>734,861</u>
13 Stocks		2022	2021
		£	£
Finished goods and goods for resale		<u>2,076,297</u>	<u>1,498,701</u>
14 Debtors		2022	2021
		£	£
Amounts falling due within one year:			
Trade debtors		1,542,285	1,477,049
Other debtors		100,000	467,919
Prepayments and accrued income		228,464	221,358
		<u>1,870,749</u>	<u>2,166,326</u>
15 Creditors: amounts falling due within one year		2022	2021
		£	£
	Notes		
Bank loans	17	345,962	345,692
Obligations under finance leases	18	103,337	83,485
Trade creditors		1,733,506	1,357,773
Amounts owed to group undertakings		205,000	332,669
Corporation tax		247,852	166,234
Other taxation and social security		89,611	126,907
Other creditors		597,298	447,292
Accruals and deferred income		236,473	185,425
		<u>3,559,039</u>	<u>3,045,477</u>

# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 15 Creditors: amounts falling due within one year

(Continued)

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

There are unlimited cross guarantees between the company and its holding company. The bank loan is secured by a first legal charge over the property and its associated assets.

### 16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	17	675,016	1,023,658
Obligations under finance leases	18	61,944	165,280
		<u>736,960</u>	<u>1,188,938</u>

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

There are unlimited cross guarantees between the company and its holding company. The bank loan is secured by a first legal charge over the property and its associated assets.

### 17 Loans and overdrafts

	2022 £	2021 £
Bank loans	1,020,978	1,369,350
	<u>1,020,978</u>	<u>1,369,350</u>
Payable within one year	345,962	345,692
Payable after one year	675,016	1,023,658
	<u>1,020,978</u>	<u>1,369,350</u>

### 18 Finance lease obligations

	2022 £	2021 £
Future minimum lease payments due under finance leases:		
Within one year	103,337	83,485
In two to five years	61,944	165,280
	<u>165,281</u>	<u>248,765</u>

It is the company's policy to lease motor vehicles under finance leases. The lease terms vary between 24 and 36 months. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.



# ASSEMBLY TECHNIQUES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 19 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022 £	Liabilities 2021 £
<b>Balances:</b>		
ACAs	146,805	207,957
	<u>          </u>	<u>          </u>
<b>Movements in the year:</b>		<b>2022 £</b>
Liability at 1 January 2022		207,957
Credit to profit or loss		(61,152)
		<u>          </u>
Liability at 31 December 2022		146,805
		<u>          </u>

### 20 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	47,653	44,955
	<u>          </u>	<u>          </u>

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.

### 21 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of 1 each	10,000	10,000	10,000	10,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 22 Related party transactions

The company has taken advantage of the exemption available in FRS 102 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

## ASSEMBLY TECHNIQUES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 23 Directors' transactions

Dividends totalling £2,000 (2021 - £2,000) were paid in respect of shares held by the company's directors.

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Director loan account	-	(8,657)	6,965	(2,000)	(3,692)
		<u>(8,657)</u>	<u>6,965</u>	<u>(2,000)</u>	<u>(3,692)</u>
		<u><u>(8,657)</u></u>	<u><u>6,965</u></u>	<u><u>(2,000)</u></u>	<u><u>(3,692)</u></u>

#### 24 Ultimate controlling party

The parent company is Assembly Techniques (Holdings) Limited.

The ultimate controlling party is N P Downing.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.