

**Claverham Limited**

**Annual Report  
for the year ended 30 November 2022**

Registered number: 03384710

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## Claverham Limited

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## Claverham Limited

### Strategic Report for the year ended 30 November 2022

The directors present their Strategic Report for the company for the year ended 30 November 2022.

The directors, in preparing this strategic report, have complied with s414C(11) of the Companies Act 2006.

At 30 November 2022, the Company was a subsidiary of RTX Corporation (RTX).

On 20 July 2023, RTX entered into a definitive agreement with Safran SA to sell the Actuation Systems portfolio, which includes the Company, within the Collins Aerospace segment for approximately \$1.8 billion in cash. The closing of the transaction is subject to regulatory approvals and other customary closing conditions, and may complete within the going concern period. Until the potential sale closes, Actuation Systems, including the Company, will remain part of Collins Aerospace and continue to operate independently in the ordinary course of business.

#### Principal activities

The principal activity of the company is to support the design of specialist actuation systems, mechanisms and equipment for other RTX companies.

#### Review of the business

The company acts as an engineering hub providing limited design and development activity for other RTX companies.

The company generated a loss of £491,000 for the financial year (2021: loss of £1,217,000).

Management consider the most important measure of the company's performance to be operating profit. In the year ended 30 November 2022, there is an operating loss of £751,000 (2021: £1,102,000 loss).

In 2022, the company finalised its transition to a remote-based engineering service for the group. This resulted in a decrease in the number of charging engineers and a corresponding reduction in sales. The reduction in losses can be attributed to the decrease in costs due to fewer chargeable hours, offset by a higher charge-out rate.

#### Key performance indicators

	2022	2021	Change %
	£'000	£'000	
Revenue	2,178	3,021	(27.9)
Operating loss	(751)	(1,102)	31.9
Loss for the financial year	(491)	(1,217)	59.7
Total shareholders' funds	30,559	41,050	(25.6)

## **Claverham Limited**

### **Strategic Report for the year ended 30 November 2022**

#### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks affecting the company are set out below.

**1. Competition**

The company operates in an extremely competitive environment regarding technical innovation and product pricing. The company seeks to avoid selling on a cost-plus basis and commoditising of products, emphasising the engineering added value of its service offering as a means of overcoming this challenge.

**2. Employees**

The company's performance depends to a significant degree on the highly trained and experienced staff. The resignation of key individuals and the inability to recruit people with appropriate experience and skills from the local community could adversely impact the company's results. To mitigate these issues, the company undertook a Management Development Programme in 2020. The company operates in a region which has a concentrated aerospace industry and offers competitive pay levels.

**3. Disaster recovery**

The key operational risk to the overall business is an incident that disrupts or terminates the operational functions. A comprehensive disaster recovery plan is in place to ensure continuity of IT capability as well as plans to minimise impact on output to customers.

**4. Economic uncertainty**

As the state of the global economy continues to be in flux, the company is well positioned to withstand the current economic environment. Its products are diversified across a number of markets and enjoys the support that RTX provides. The company operates in market sectors that are by nature long term.

**5. Working capital**

Working capital is an indicator of the company's operational efficiency. There are key performance indicators and business actions led by the Directors of the company, which focus on maintaining a healthy working capital level. The current assets of the company continue to exceed the current liabilities which provide assurance that current liabilities can be paid for after conversion of customer receivables. If working capital is negative, it may impact the ability to operate effectively.

#### **COVID-19**

After more than three years dealing with the global pandemic which led to extended shutdowns and lockdowns in order to prevent the spread of COVID-19, from January 2022 there has been a significant easing of restrictions and laws used during the pandemic no longer in place. The impact of the coronavirus on the Group's business still continues to be uncertain, as it will continue to be dependent on ongoing development, however companies are returning to a pre-pandemic work environment. At an individual company level COVID-19 has not impacted the results of the business.

## **Claverham Limited**

### **Strategic Report for the year ended 30 November 2022**

#### **Russian invasion of Ukraine**

In February 2022, Russia invaded Ukraine. In response to this event, additional financial, trade, and travel sanctions were imposed on Russia and Belarus by some members of the International Community.

The company does not trade or hold assets in Russia, Belarus or Ukraine and therefore is not directly affected. However, the economic knock-on effects of sanctions and the Black Sea blockade will inevitably have short to long term effects as we have seen the ramifications in increased energy prices, jump in inflation and interest rates. Given the global effects, the conditions are likely to remain fluid and complex. At an individual company level the conflict has not impacted the results of the business.

#### **Future developments**

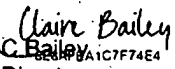
The directors expect to see continued growth and development of the company under RTX due to benefits derived from economies of scale.

#### **Events after the balance sheet date**

Details of significant events since the balance sheet date are contained in note 19 to the financial statements.

#### **Approval**

Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
Claire Bailey  
Director  
11 October 2023

Fore 1, Fore Business Park,  
Huskisson Way,  
Shirley, Solihull,  
West Midlands,  
B90 4SS

## **Claverham Limited**

### **Directors' Report for the year ended 30 November 2022**

The Directors present their Report and audited financial statements of the company for the year ended 30 November 2022.

#### **Future developments and events after the balance sheet date**

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report on page 3 and form part of this report by cross-reference.

#### **Going concern**

The Directors have taken into consideration that RTX entered into a definitive agreement with Safran SA on 20 July 2023 to sell the Actuation Systems portfolio, which includes the Company, within the Collins Aerospace segment. The closing of the transaction is subject to regulatory approvals and other customary closing conditions. Until the sale closes, Actuation Systems, including the Company, will remain part of Collins Aerospace and continue to operate independently in the ordinary course of business. Given the potential transaction, the Directors of the Company do not have the ability to influence the potential acquirer's financing arrangements or have access to the future plans for the Company in order to assess going concern should the sale complete. However, based on the information available to the Directors at the date of approval of these financial statements, the Directors expect the new owners to put into place suitable financing arrangements to enable the Company to continue as a going concern.

Consequently, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements but based on what is described in the preceding paragraphs, they have also concluded this situation represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern should the assumptions referred to above prove incorrect.

Further details regarding the adoption of the going concern basis can be found in the accounting policies set out in note 1 to the financial statements.

#### **Financial risk management**

The company's operations expose it to a variety of financial risks that include the effects of changes in prices risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring these risks.

##### *Credit risk*

The company has a policy that requires appropriate credit checks on potential customers before sales are made. The financial strength of existing customers is also monitored on a regular basis, and credit terms are adjusted as needed.

##### *Liquidity risk*

The company works with the ultimate parent Company's treasury function to minimise exposure to liquidity risk.

##### *Interest rate risk*

The company has minimal risk from interest rate exposure due to the nature of the deposits and borrowings within the UK cash pooling accounts. As monies are borrowed from the UK cash pool within RTX, the company pays interest at the Bank of England's base rate, plus 0.5%. At this time, the company has no third party interest bearing loans.

## **Claverham Limited**

### **Directors' Report for the year ended 30 November 2022**

#### **Dividends**

An interim ordinary dividend of £10,000,000 was declared and paid in December 2021 (2021: £7,500,000).

#### **Directors**

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

J Holland  
K Blair  
E Dryden (Resigned 11 February 2022)  
C Bailey (Appointed 11 February 2022)

#### **Disabled employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Modern Slavery Act**

The company is committed to ensuring slavery and human trafficking are not taking place in its business or supply chains. To this end the company has published a statement for the reporting period at [www.rtx.com](http://www.rtx.com).

#### **Directors' Indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

#### **Political donations**

The company made no political donations in the year (2021: nil).

#### **Statement of directors' responsibilities in respect of the financial statements**

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and

## **Claverham Limited**

### **Directors' Report for the year ended 30 November 2022**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

### **Statement of directors' responsibilities in respect of the financial statements (continued)**

The directors 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.

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.

### **Directors' confirmations**

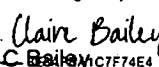
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he/she has taken all the steps that he ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Independent auditors**

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
Claire Bailey  
Director  
11 October 2023

Fore 1, Fore Business Park,  
Huskisson Way,  
Shirley, Solihull,  
West Midlands,  
B90 4SS.



## **Claverham Limited**

### **Independent auditors' report to the members of Claverham Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, Claverham Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 30 November 2022; the Income Statement and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Material uncertainty related to going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. Subsequent to the balance sheet date, the Company's ultimate parent company publicly announced its intention to sell the Actuation Systems portfolio, which includes the Company, within the Collins Aerospace segment to Safran SA. Given the potential transaction, the Directors of the Company do not have the ability to influence the potential acquirer's financing arrangements or have access to the future plans for the Company in order to assess going concern should the sale complete. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a 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.

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

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## **Claverham Limited**

### **Independent auditors' report to the members of Claverham Limited**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below:

#### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 November 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

##### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

## Claverham Limited

### Independent auditors' report to the members of Claverham Limited

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Generally Accepted Accounting Practices, tax compliance legislation and the UK Bribery Act, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to (1) posting inappropriate journal entries to manipulate financial results; (2) management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries, throughout the audit with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Challenging assumptions and judgements made by management in determining significant accounting estimates (because of the risk of management bias), in particular in relation to the recoverability of intercompany receivables.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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

#### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### Other required reporting

#### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Alan Walsh (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
East Midlands  
11 October 2023

**Claverham Limited****Income statement****For the year ended 30 November 2022**

	<b>Note</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Revenue</b>	<b>3</b>	<b>2,178</b>	<b>3,021</b>
<b>Cost of sales</b>		<b>(2,219)</b>	<b>(3,854)</b>
<b>Gross loss</b>		<b>(41)</b>	<b>(833)</b>
<b>Administrative expenses</b>		<b>(727)</b>	<b>(499)</b>
<b>Other operating income</b>	<b>7</b>	<b>17</b>	<b>230</b>
<b>Operating loss</b>	<b>8</b>	<b>(751)</b>	<b>(1,102)</b>
<b>Interest receivable and similar income</b>	<b>9</b>	<b>260</b>	<b>17</b>
<b>Loss before taxation</b>		<b>(491)</b>	<b>(1,085)</b>
<b>Tax on loss</b>	<b>10</b>	<b>-</b>	<b>(132)</b>
<b>Loss for the financial year</b>		<b>(491)</b>	<b>(1,217)</b>

All results are derived from continuing operations.

The company has no other comprehensive income other than its loss for the financial years ended 30 November 2022 and 2021, and hence no separate statement of comprehensive income has been presented.

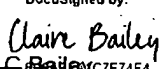
**Claverham Limited**  
**Registered number: 03384710**

**Balance sheet**  
**At 30 November 2022**

	<i>Note</i>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Fixed assets</b>			
Tangible assets	<b>11</b>	-	42
Right of use assets	<b>12</b>	-	-
		-	42
<b>Current assets</b>			
Debtors	<b>13</b>	<b>31,552</b>	<b>42,495</b>
		<b>31,552</b>	<b>42,495</b>
Creditors: Amounts falling due within one year	<b>14</b>	<b>(993)</b>	<b>(1,195)</b>
<b>Net current assets</b>		<b>30,559</b>	<b>41,300</b>
<b>Total assets less current liabilities</b>		<b>30,559</b>	<b>41,342</b>
Creditors: amounts falling due after more than one year	<b>15</b>	-	(292)
<b>Net assets</b>		<b>30,559</b>	<b>41,050</b>
<b>Equity</b>			
Called up share capital	<b>17</b>	-	-
Share premium account		<b>20,003</b>	<b>20,003</b>
Retained earnings		<b>10,556</b>	<b>21,047</b>
<b>Total Shareholders' funds</b>		<b>30,559</b>	<b>41,050</b>

The notes on pages 13 to 28 form part of these financial statements

The financial statements on pages 10 to 28 were approved by the board of directors on 11 October 2023 and were signed on its behalf by:

DocuSigned by:  
  
 Claire Bailey  
 Director

**Claverham Limited****Statement of changes in equity  
For the year ended 30 November 2022**

	<b>Called up share capital (Note 17) £'000</b>	<b>Share premium account £'000</b>	<b>Retained earnings £'000</b>	<b>Total shareholders' funds £'000</b>
<b>Balance at 1 December 2020</b>	-	20,003	29,764	49,767
Loss for the financial year	-	-	(1,217)	(1,217)
<b>Total comprehensive expense for the year</b>	-	-	(1,217)	(1,217)
Dividends Paid	-	-	(7,500)	(7,500)
<b>Balance at 30 November 2021</b>	-	20,003	21,047	41,050
Loss for the financial year	-	-	(491)	(491)
<b>Total comprehensive expense for the year</b>	-	-	(491)	(491)
Dividends Paid	-	-	(10,000)	(10,000)
<b>Balance at 30 November 2022</b>	-	20,003	10,556	30,559

## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies**

Claverham Limited ('the company') is a private company, limited by shares, and is incorporated and domiciled in England, United Kingdom. The address of the registered office is Fore 1 Fore Business Park, Huskisson Way, Stratford Road, Shirley, Solihull, England, B90 4SS.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and all the years presented, unless otherwise stated.

#### **Basis of accounting**

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The financial statements are therefore prepared in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The financial statements have been prepared under the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

As permitted by FRS 101, the company has taken advantage of some of the disclosure exemptions available under that standard. The key exemptions taken are as follows:

IFRS 3 – not to restate business combinations before the date of transition  
IFRS 7 – financial instrument disclosures  
IFRS 13 – disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities  
IAS 1 – information on management of capital  
IAS 7 – statement of cash flows  
IAS 8 – disclosures in respect of new standards and interpretations that have been issued but are not yet effective  
IAS 24 – disclosure of key management compensation and for related party disclosures entered into between two or more members of a group  
IAS 1 – the requirement to present roll forward reconciliations in respect of share capital  
IAS 16 – the requirement to present roll forward reconciliations in respect of property, plant and equipment  
IFRS 15 – paragraphs 110b, 113a, 114, 115, 118, 119 a-c, 121-127, 129  
IAS 36 - impairment of assets - paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e)

Where required, equivalent disclosures are given in the group financial statements of RTX Corporation. The group financial statements of RTX Corporation are available to the public and can be obtained as set out in note 20.

#### **Adoption of new and revised Standards**

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 November 2022 have had a material impact on the company.

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****1. Accounting policies (continued)****Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The strategic report also describes the financial position of the Company; its cash flows, liquidity position and borrowing facilities; the Company's objectives, policies, and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit risk and liquidity risk.

The Company meets its day to day working capital requirements through a loan arrangement which is centrally managed by another group undertaking.

The Directors have taken into consideration that RTX entered into a definitive agreement with Safran SA on 20 July 2023 to sell the Actuation Systems portfolio, which includes the Company, within the Collins Aerospace segment. The closing of the transaction is subject to regulatory approvals and other customary closing conditions. Until the sale closes, Actuation Systems, including the Company, will remain part of Collins Aerospace and continue to operate independently in the ordinary course of business. Given the potential transaction, the Directors of the Company do not have the ability to influence the potential acquirer's financing arrangements or have access to the future plans for the Company in order to assess going concern should the sale complete. However, based on the information available to the Directors at the date of approval of these financial statements, the Directors expect the new owners to put into place suitable financing arrangements to enable the Company to continue as a going concern.

Consequently, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements but based on what is described in the preceding paragraphs, they have also concluded this situation represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern should the assumptions referred to above prove incorrect.

**Tangible assets**

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided on all tangible assets, other than freehold land, at rates calculated to write off the cost of each asset, less any residual value, on a straight-line basis over its expected useful life, as follows:

Plant and machinery	5-12 years
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Useful lives are reviewed, and adjusted if appropriate, at the end of every reporting period.

**Impairment of tangible assets**

At each balance sheet date, the company reviews the carrying amounts of its tangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, 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.



## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **Impairment of tangible assets (continued)**

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.

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.

##### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The company recognises revenue when performance obligations have been satisfied and for the company this is when the goods or services have transferred to the customer and the customer has control of these. The company's activities are described in detail below. The company bases its estimate of the return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

##### **Sales of services**

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on actual labour hours spent relative to the total expected labour hours.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

##### **Dividend and interest income**

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### **Pension costs**

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

##### **Foreign currency**

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional currency).

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments).

## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **Leases**

The company leases buildings and equipment. Rental contracts are typically made for fixed periods of 6 months to 10 years but may have extension options.

Contracts may contain both lease and non-lease components. The company allocates the consideration in the contract to the lease and non-lease components based on their relative standalone prices. A lessee may elect an accounting policy, by asset class, to include both the lease and non-lease components as a single component and account for it as a lease (thus eliminating the pricing allocation). The company has adopted this accounting policy election for equipment leases only.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Lease assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measure on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the company under residual value guarantees;
- The exercise price of a purchase option if the company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease for each period.



## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **Leases (continued)**

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

##### **Interest payable and similar charges**

As explained below, where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in the income statement within finance costs.

Finance costs which are directly attributable to the construction of tangible assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

##### **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

##### **Financial assets**

Financial assets are classified into the following specified categories: at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) and amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **Financial assets (continued)**

##### ***Financial assets at fair value through profit or loss or at fair value through other Comprehensive Income***

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the company considers this classification to be more relevant.
- Debt securities where contractual cash flows are solely principal and interest and the objective of the company's business model is achieved both by collecting contractual cash flows and selling financial assets

##### ***Financial assets at amortised cost***

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

##### ***Financial assets at fair value through profit and loss***

The following financial assets are classified at fair value through profit or loss (FVTPL):

- debt investments that do not qualify for measurement at either amortised cost
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

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

##### ***Assets carried at amortised cost***

The company assesses, at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets is impaired.

##### **Trade and other receivables**

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as noncurrent assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The group has concluded that the expected loss rates for trade and other receivables are a reasonable approximation of the loss rates.

## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **Provisions**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are discounted where the impact of discounting is material.

#### **2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 1 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

##### **Useful economic lives of properties, plant and equipment**

The annual depreciation charge for property, plant and equipment is sensitive to changes in estimated useful economic lives of the assets. The useful lives of the assets are assessed on an annual basis and are amended when necessary to reflect current estimates. See note 11 for the carrying amount for the property, plant and equipment, and note 1 for the useful economic lives for each class of assets.

##### **Useful economic lives of right of use assets**

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

##### **Impairment of Trade Receivables**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the age profile of the receivable and historic experience.

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****3. Revenue**

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

	<b>2022 £'000</b>	<b>2021 £'000</b>
Rendering of services	<b>2,178</b>	<b>3,021</b>
	<b>2,178</b>	<b>3,021</b>

An analysis of the company's revenue by geographical market is set out below.

	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Revenue:</b>		
United Kingdom	<b>2,134</b>	<b>2,828</b>
Continental Europe	<b>44</b>	<b>193</b>
	<b>2,178</b>	<b>3,021</b>

**4. Auditors' remuneration**

Fees payable to PricewaterhouseCoopers LLP and their associates for the audit of the company's annual financial statements were £33,000 (2021: £28,000).

Fees payable to PricewaterhouseCoopers LLP and their associates for non-audit services were £nil during the year (2021: £nil).

**5. Staff costs**

The average monthly number of employees was:

	<b>2022 Number</b>	<b>2021 Number</b>
Engineering	<b>12</b>	<b>25</b>
Sales and administration	<b>6</b>	<b>2</b>
	<b>18</b>	<b>27</b>

Their aggregate remuneration comprised:

	<b>2022 £'000</b>	<b>2021 £'000</b>
Wages and salaries	<b>846</b>	<b>1,411</b>
Social security costs	<b>156</b>	<b>194</b>
Other pension costs (see note 16)	<b>106</b>	<b>145</b>
	<b>1,108</b>	<b>1,750</b>



**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****6. Directors' remuneration and transactions**

Three directors are non-executive directors and also directors of a number of other group undertakings for which they carry on work. They are paid by Goodrich Actuation Systems Limited that makes no recharge to the company.

There was no (2021: nil) compensation paid for loss of office.

**7. Other operating income**

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Rental	17	215
Government grant	-	15
	<b>17</b>	<b>230</b>

The company rented out part of the ground floor of their building to other group undertakings in the year and charges the group on a monthly basis.

**8. Operating loss**

Operating loss is stated after (crediting)/ charging:

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Net foreign exchange losses/(gains)	116	(33)
Depreciation of tangible assets:		
- owned	42	117
Depreciation of right of use asset	-	113
Impairment of right of use asset	-	382
Audit fees payable to company's auditors (see note 4)	33	28
Staff costs (see note 5)	<b>1,108</b>	<b>1,750</b>

**9. Interest receivable and similar income**

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Interest receivable from group companies	260	17

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****10. Tax on loss**

Tax charge included in the income statement:

	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Current tax</b>		
- Adjustments in respect of prior years	-	132
<b>Total current tax</b>	-	132
<b>Deferred tax</b>		
- Origination and reversal of timing differences	-	-
- Change in rate of tax	-	-
<b>Total deferred tax</b>	-	-
<b>Total tax charge on loss</b>	-	132

**Factors affecting tax charge for the year**

The tax on the loss before tax for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The charge for the year can be reconciled to the loss in the income statement as follows:

	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Loss before taxation</b>	<b>(491)</b>	<b>(1,085)</b>
Tax on loss at standard UK corporation tax rate of 19% (2021: 19%)	<b>(93)</b>	<b>(206)</b>
Effects of:		
Adjustments in respect of prior years	-	132
Group relief	100	213
Expenses not deductible	2	8
Amounts not recognised	(9)	(15)
<b>Total tax charge for the year</b>	-	132

The tax rate for the current year is the same as the prior year. There is a deferred tax asset of £397,000 (2021: £406,000) relating to losses, fixed assets and temporary differences which has not been recognised as there are no plans in the foreseeable future which would crystallise the potential asset.

**Factors that may affect future tax charge**

Finance Act 2020 legislated that the main rate of UK corporation tax will remain at 19% from 1 April 2020. However, after the third reading of the Finance Bill 2021 on 24 May 2021, it was substantially enacted that the tax rate would be increased to 25% for companies with profit in excess of £250,000 with effect 01 April 2023. As substantive enactment is before the balance sheet date, deferred tax balances as at 30 November 2022 have been measured at a rate of 25%.

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****11. Tangible assets**

	<b>Plant and machinery £'000</b>
<b>Cost</b>	
At 1 December 2021	252
<b>At 30 November 2022</b>	<b>252</b>
<b>Accumulated depreciation</b>	
At 1 December 2021	210
Depreciation	42
<b>At 30 November 2022</b>	<b>252</b>
<b>Net book value</b>	
<b>At 30 November 2022</b>	<b>-</b>
<b>At 30 November 2021</b>	<b>42</b>

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****12. Right of use assets**

The company had a lease contract for buildings used in the operations. The amounts recognised in the financial statements in relation to the lease are as follows:

**(i) Amounts recognised in the statement of financial position**

The balance sheet shows the following amounts relating to leases:

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
<b>Right-of-use assets</b>		
Buildings	-	-
<b>Lease liabilities</b>		
Current	-	145
Non-current	-	292
	-	437

Additions to the right-of-use assets during the 2022 financial year were £nil (2021, £nil).

During 2021, as part of a restructuring project, a site closure was planned for the leased property. The lease had an original term of 10 years, terminating in October 2029. The original terms of the lease allow for early termination of the lease, and on 30 November 2021, the early termination option was exercised. As shortening the lease term is a reduction in the scope of the lease, the modification was accounted for on the effective date of the modification. As a result, the right of use asset and lease liability were reduced by £529,000 and £525,000 respectively, in proportion to the reduction in lease term. The difference was recognised in the income statement. On vacating the leased property, the directors considered the carrying value of the right of use asset to be £nil, recognising an impairment of £382,000.

**(ii) Amounts recognised in the income statement**

The income statement shows the following amounts relating to leases:

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
<b>Depreciation charge on right-of-use assets</b>		
Buildings	-	113
<b>Impairment charge on right-of-use assets</b>		
Buildings	-	382
	-	495
<b>Interest expense</b>	-	23

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****12. Right of use assets (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Future minimum lease payments as at 30 November are as follows:		
Not later than one year	-	138
Later than one year and not later than five years	-	412
Total gross payments	-	550
Impact of finance expenses	-	(113)
Carrying amount of liability	-	437

The total cash outflow for leases was £nil (2021: £143,000).

**13. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>		
Trade receivables	37	-
Amounts owed by group undertakings	31,048	41,910
Other receivables	461	373
Prepayments and accrued income	6	212
	<b>31,552</b>	<b>42,495</b>

Loans to other group undertakings have variable interest rates and are repayable on demand. There is no security provided on these loans. No interest is charged on inter-company trading balances.

**14. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	343	316
Amounts owed to group undertakings	334	556
Accruals and deferred income	274	136
Lease liability (note 12)	-	145
Corporation tax	42	42
	<b>993</b>	<b>1,195</b>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**Claverham Limited****Notes to the financial statements  
For the year ended 30 November 2022****15. Creditors: amounts falling due after more than one year**

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Lease liability (note 12)	-	292
	-	292

**16. Pension and similar obligations****Defined contribution schemes**

The company operates defined contribution retirement benefit schemes for all qualifying employees. The assets of the schemes are held separately from those of the company in funds under the control of trustees. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the company are reduced by the amount of forfeited contributions.

The total cost charged to the income statement of £106,000 (2021: £145,000) represents contributions payable to these schemes by the company at rates specified in the rules of the plans.

**17. Called up share capital**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Allotted and fully-paid</b>		
4 (2021:4) ordinary shares of £1 each	4	4

**18. Related party transactions**

As 100% of the company's voting rights were controlled by RTX Corporation group (RTX), the company is not required pursuant to FRS 101 paragraph 8 (k) to disclose transactions with other group subsidiaries, joint venture or associated companies.

The company has not transacted with any other related parties during the year.

**19. Subsequent events**

On 20 July 2023, RTX entered into a definitive agreement with Safran SA to sell the Actuation Systems portfolio, which includes the Company, within the Collins Aerospace segment for approximately \$1.8 billion in cash. The closing of the transaction is subject to regulatory approvals and other customary closing conditions, and may complete within the going concern period. Until the potential sale closes, Actuation Systems, including the Company, will remain part of Collins Aerospace and continue to operate independently in the ordinary course of business.

## **Claverham Limited**

### **Notes to the financial statements For the year ended 30 November 2022**

#### **20. Controlling party**

The company's immediate parent undertaking is Claverham Group Limited.

The company's ultimate parent undertaking and controlling party is RTX Corporation, a company incorporated in the United States of America.

RTX Corporation is the smallest and largest group to consolidate these financial statements.

The registered office of RTX Corporation is located at 1000 Wilson Blvd., Arlington, Virginia 22209, United States of America. Copies of the RTX Corporation financial statements are publicly available and can be obtained from [www.rtx.com](http://www.rtx.com).