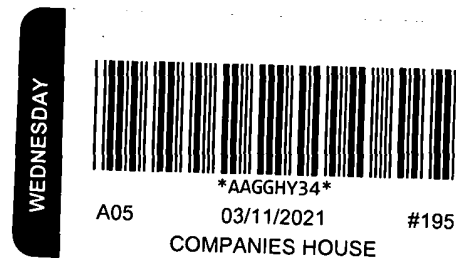


Company Registration No. 6088612 (England and Wales)

WHT HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



PM+M Solutions for Business LLP
Chartered Accountants
New Century House
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

WHT HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr H A Wallwork Miss S J Wallwork Mr I C Griffin Mr S P Collins
Secretary	Mr I Charleston
Company number	6088612
Registered office	Wallwork Offices 69 Hacking Street Bury Lancashire BL9 0RG
Auditor	PM+M Solutions for Business LLP New Century House Greenbank Technology Park Challenge Way Blackburn Lancashire BB1 5QB

WHT HOLDINGS LIMITED

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WHT HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Fair Review of the Business

The year ending 31 March 2021 was satisfactory when compared with the previous financial trading year. A challenging year mainly as a result of Covid 19. All sectors within the business recovered toward the end of the year from a very suppressed start.

The group continued to invest in process equipment and training from internally funded reserves. The recently purchased Newcastle site is now fully integrated in to the group.

Principal Risks and Uncertainties

The directors believe that there is a low level of risk and uncertainty associated with the business. Wider risks may well be on the horizon within the sector due to further instability due to Covid-19 and trade with Europe after Brexit. However, as the directors have always adopted conservative policies the company is well positioned to ride out any potential decrease to the industry.

Risks that have been identified are as follows:

- Alteration to regulation or legislation such as environmental or health and safety that may add unexpected costs.
- Transport is seen as an area where costs may rise significantly due to the impacts of clean air zones. The
- Aerospace sector should recover as the world moves forward after Covid 19 but the risk is that the recovery will be slower than expected which would result in reduced profitability.

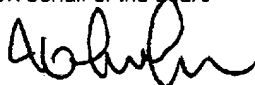
Analysis of Development and Performance

The results for the year and the financial position at the year end were considered satisfactory by the directors with all the continued unknowns associated with Brexit and trade with Europe and Covid 19. The government furlough scheme was used and this helped considerably in the preservation of jobs within the group. Profit was comparable with the previous year, the factors were a reduction in sales due to Covid 19 income and Machine build income was also reduced; with the Newcastle site still being developed to a position where profitability can be achieved.

Promoting the success of the company

The Directors act to promote the group's success for the members and have regard to the long-term effects of decisions on the group and its stakeholders. The aim is to maintain the group's market leading position in the competitive heat treatment sector, and to grow market share and profits. The group provides employment, training and financial reward to employees, including profit sharing arrangements. We have built a reputation for fair dealings in our interaction with both customers and suppliers alike, with a focus on investing in the latest technology to deliver great service. We are a privately held business with traditional roots in our local communities and support local causes and charities throughout the year. We are conscious of our responsibilities to the environment and are keen to reduce our carbon footprint through energy usage initiatives and investment in technology that yields reducing consumption. We dispose of all waste responsibly.

On behalf of the board



Mr I C Griffin
Director

Date: 29-9-2021

WHT HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the group continued to be that of the heat treatment of metals and surface engineering.

Results and dividends

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

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

Directors

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

Mr H A Wallwork
Miss S J Wallwork
Mr I C Griffin
Mr S P Collins

Research and development

We engage in world class research for the development of processes in house as well as external projects with academic and multinational commercial partners.

Disabled persons

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

Employee involvement

The company's policy is to consult and discuss with employees matters likely to affect employees' interests. Information of matters of concern to employees is disseminated in ways which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Future developments

Continued investment should enable the Group to maximise turnover and profit particularly in areas where investment has been ongoing and nearing completion. Specifically, the investment that is taking place at our recently acquired fourth processing site. Investments in other site infrastructure is commencing which will improve the quality of the work environment. The 'green agenda' continues to provide opportunities for the application of our coatings and treatments for fuel saving and material preservation. Process developments are being capitalised on now in new part processing for electric vehicles. We continue to seek growth through suitable acquisition and diversification and new process development.

Auditor

The auditor, PM+M Solutions for Business LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

WHT HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

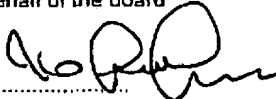
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board



Mr I C Griffin
Director

Date: 29-9-2021

WHT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHT HOLDINGS LIMITED

Opinion

We have audited the financial statements of WHT Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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.

WHT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WHT HOLDINGS LIMITED

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.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

WHT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WHT HOLDINGS LIMITED

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- the matters discussed among the audit engagement team including significant component audit teams and involving relevant specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals and complex transactions. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, employment law, health and safety regulations, industry quality certifications, pensions legislation and tax legislation.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the identified risks of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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.

WHT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WHT HOLDINGS LIMITED

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.



David Gorton FCA CTA (Senior Statutory Auditor)
For and on behalf of PM+M Solutions for Business LLP

11 October 2021

Chartered Accountants
Statutory Auditor

New Century House
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

WHT HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	17,595,512	22,328,424
Cost of sales		(11,834,566)	(15,110,243)
Gross profit		5,760,946	7,218,181
Distribution costs		(1,696,270)	(2,258,851)
Administrative expenses		(4,279,476)	(4,433,494)
Other operating income		1,113,555	216,224
Operating profit	4	898,755	742,060
Interest receivable and similar income	8	22,125	23,998
Profit before taxation		920,880	766,058
Tax on profit	9	(139,696)	(179,893)
Profit for the financial year		781,184	586,165

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

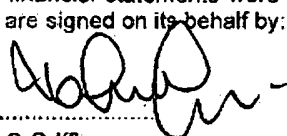
WHT HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	10		-		47,317
Other intangible assets	10		14,681		31,797
Total intangible assets			14,681		79,114
Tangible assets	11		11,871,971		12,336,883
Investments	12		377,710		472,138
			12,264,362		12,888,135
Current assets					
Stocks	14	625,525		551,817	
Debtors	15	4,996,879		5,612,075	
Cash at bank and in hand		6,014,731		3,213,523	
		11,637,135		9,377,415	
Creditors: amounts falling due within one year	16	(3,033,443)		(2,573,969)	
Net current assets			8,603,692		6,803,446
Total assets less current liabilities			20,868,054		19,691,581
Provisions for liabilities					
Deferred tax liability	17	631,786		590,333	
			(631,786)		(590,333)
Net assets			20,236,268		19,101,248
Capital and reserves					
Called up share capital	19		2,073		2,073
Capital redemption reserve			638		638
Profit and loss reserves			20,233,557		19,098,537
Total equity			20,236,268		19,101,248

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


Mr I C Griffin
Director

WHT HOLDINGS LIMITED

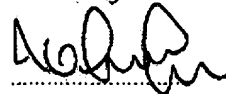
COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	10	1,666,914		1,638,856	
Tangible assets	11	5,572,736		5,559,248	
Investments	12	6,028,539		5,769,128	
		<u>13,158,189</u>		<u>12,967,232</u>	
Current assets					
Debtors	15	4,748,072		4,471,375	
Cash at bank and in hand		1,654,606		1,600,735	
		<u>6,402,678</u>		<u>6,072,110</u>	
Creditors: amounts falling due within one year	16	(119,772)		-	
Net current assets		<u>6,282,906</u>		<u>6,072,110</u>	
Total assets less current liabilities		<u>19,441,095</u>		<u>19,039,342</u>	
Provisions for liabilities					
Deferred tax liability	17	31,527		30,062	
		<u>(31,527)</u>		<u>(30,062)</u>	
Net assets		<u>19,409,568</u>		<u>19,009,280</u>	
Capital and reserves					
Called up share capital	19	2,073		2,073	
Capital redemption reserve		638		638	
Other reserves		833,735		479,896	
Profit and loss reserves		18,573,122		18,526,673	
Total equity		<u>19,409,568</u>		<u>19,009,280</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £46,449 (2020 - £252,370 profit).

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



Mr I C Griffin
Director

Company Registration No. 6088612

WHT HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		2,183	528	19,287,709	19,290,420
Year ended 31 March 2020:					
Profit and total comprehensive income for the year		-	-	586,165	586,165
Own shares acquired		-	-	(927,165)	(927,165)
Redemption of shares	19	(110)	110	-	-
Credit to equity for equity settled share-based payments		-	-	151,828	151,828
Balance at 31 March 2020		2,073	638	19,098,537	19,101,248
Year ended 31 March 2021:					
Profit and total comprehensive income for the year		-	-	781,184	781,184
Credit to equity for equity settled share-based payments		-	-	353,836	353,836
Balance at 31 March 2021		2,073	638	20,233,557	20,236,268

WHT HOLDINGS LIMITED

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

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 April 2019		2,183	528	-	19,625,695	19,628,406
Year ended 31 March 2020:						
Profit and total comprehensive income for the year		-	-	-	252,370	252,370
Own shares acquired		-	-	-	(927,165)	(927,165)
Redemption of shares	19	(110)	110	-	-	-
Share based payments		-	-	479,896	(424,227)	55,669
Balance at 31 March 2020		2,073	638	479,896	18,526,673	19,009,280
Year ended 31 March 2021:						
Profit and total comprehensive income for the year		-	-	-	46,449	46,449
Share based payments		-	-	353,839	-	353,839
Balance at 31 March 2021		2,073	638	833,735	18,573,122	19,409,568

The other reserves, which are not distributable, represent the value of share options awarded to employees of the company's subsidiaries which has been recognised as an investment in these accounts.

WHT HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	20	2,993,751		1,766,377	
Income taxes refunded/(paid)		24,576		(95,727)	
Net cash inflow from operating activities		3,018,327		1,670,650	
Investing activities					
Purchase of tangible fixed assets		(264,092)		(1,792,800)	
Proceeds on disposal of tangible fixed assets		35,803		3,567	
Purchase of fixed asset investments		-		(63,000)	
Interest received		11,170		23,998	
Net cash used in investing activities		(217,119)		(1,828,235)	
Financing activities					
Purchase of own shares		-		(927,165)	
Net cash used in financing activities		-		(927,165)	
Net increase/(decrease) in cash and cash equivalents		2,801,208		(1,084,750)	
Cash and cash equivalents at beginning of year		3,213,523		4,298,273	
Cash and cash equivalents at end of year		6,014,731		3,213,523	

WHT HOLDINGS LIMITED

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

1 Accounting policies

Company information

WHT Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Wallwork Offices, 69 Hacking Street, Bury, Lancashire, BL9 0RG.

The group consists of WHT Holdings Limited and all of its subsidiaries.

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 have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company WHT Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.4 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets - goodwill

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

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

1.7 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.

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:

Patents & licences	Equal annual instalments over 7 years
Purchased know how	Equal annual instalments over 7 years
Purchased know how	5% per annum on book value (company only for group sourced)

1.8 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.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Depreciation 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:

Freehold buildings	2% straight line
Plant and equipment	straight line over useful economic life from 5 to 20 years
Motor vehicles	10 years HGV and 5 years LGV

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 recognised in the profit and loss account.

During the year the directors re-assessed the lives of a number of significant fixed assets which generally led to an extension in lives and a reduction in the depreciation charge.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Other equity instruments are carried at cost.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.10 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

1.11 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.

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.

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies 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.

1.14 Equity instruments

Equity instruments issued by the group 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 group.

1.15 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 if, and only if, there is 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.

1.16 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.

1.17 Retirement benefits

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

1.18 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The expense in relation to options over the parent company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.19 Leases

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 leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.20 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.21 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.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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 sources of estimation uncertainty

The directors consider that the only critical accounting estimates relate to the provision for depreciation on tangible fixed assets, valuation of unlisted investment, and the valuation of share options. Calculation of the depreciation provision requires an estimate of the rate at which the assets are used up over their estimated useful life. Calculation of the value of share options requires an estimate of the value of the company at the grant date of the options and ongoing in respect of the associated tax costs.

The directors have determined the valuation of share options at the date of grant using a binomial model, assessing the likelihood of a range of future customers and discounting potential values at the risk free rate.

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
Processing sales	17,595,512	22,328,424
	2021 £	2020 £
Other significant revenue		
Interest income	11,170	19,714
Dividends received	10,955	4,284
Grants received	1,038,966	32,000
Sundry revenue	34,951	-
Rent receivable	39,638	91,327
	2021 £	2020 £
Turnover analysed by geographical market		
UK	17,460,649	21,876,482
Europe	134,863	439,528
Rest of the World	-	12,414
	17,595,512	22,328,424

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	-	1,106
Research and development costs	115,465	86,255
Government grants	(1,038,966)	(32,000)
Depreciation of owned tangible fixed assets	686,563	692,871
Loss on disposal of tangible fixed assets	6,638	98,927
Amortisation of intangible assets	64,433	111,753
Share-based payments	392,957	141,409
Operating lease charges	100,580	110,870

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	12,000	12,000
Audit of the financial statements of the company's subsidiaries	13,000	13,000
	<u>25,000</u>	<u>25,000</u>

6 Employees

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

	Group 2021 Number	2020 Number
Management	11	12
Administration	31	54
Production	207	249
Total	<u>249</u>	<u>315</u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £
Wages and salaries	8,092,921	9,281,378
Social security costs	705,975	855,406
Pension costs	830,951	902,046
	<u>9,629,847</u>	<u>11,038,830</u>

The only employees of the Company in the year were the directors, and their remuneration, set out in Note 7, was paid by other group companies.

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	263,526	507,488
Company pension contributions to defined contribution schemes	68,490	113,112
	<u>332,016</u>	<u>620,600</u>

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Directors' remuneration

(Continued)

The number of directors across the group for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2020 - 8).

The number of directors who are entitled to receive shares under long term incentive schemes during the year was 0 (2020 - 2).

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

	2021 £	2020 £
Remuneration for qualifying services	104,171	118,868
Company pension contributions to defined contribution schemes	34,259	39,790

8 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	11,170	19,714
Other income from investments		
Dividends received	10,955	4,284
Total income	22,125	23,998

9 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	180,856	2,128
Adjustments in respect of prior periods	(7,952)	(47,457)
Total current tax	172,904	(45,329)
Deferred tax		
Origination and reversal of timing differences	(33,208)	197,858
Changes in tax rates	-	27,364
Total deferred tax	(33,208)	225,222
Total tax charge	139,696	179,893

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Taxation

(Continued)

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:

	2021 £	2020 £
Profit before taxation	920,880	766,058
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	174,967	145,551
Tax effect of expenses that are not deductible in determining taxable profit	20,852	12,506
Tax effect of income not taxable in determining taxable profit	-	(9,541)
Fixed asset differences	35,393	51,471
Research and development tax credit	(83,565)	-
Under/(over) provided in prior years	(7,951)	(47,456)
Remeasurement of deferred tax for changes in tax rates	-	27,362
Taxation charge	139,696	179,893

10 Intangible fixed assets

Group	Goodwill £	Patents & licences £	Purchased know how £	Total £
Cost				
At 1 April 2020 and 31 March 2021	384,234	119,815	102,000	606,049
Amortisation and impairment				
At 1 April 2020	336,917	88,019	101,999	526,935
Amortisation charged for the year	47,317	17,116	-	64,433
At 31 March 2021	384,234	105,135	101,999	591,368
Carrying amount				
At 31 March 2021	-	14,680	1	14,681
At 31 March 2020	47,317	31,796	1	79,114

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10	Intangible fixed assets	(Continued)				
	Company				Purchased know how £	
	Cost					
	At 1 April 2020 and 31 March 2021				3,190,567	
	Amortisation and impairment					
	At 1 April 2020				1,551,711	
	Amortisation charged for the year				81,942	
	At 31 March 2021				1,633,653	
	Carrying amount					
	At 31 March 2021				1,556,914	
	At 31 March 2020				1,638,856	
11	Tangible fixed assets					
	Group	Freehold buildings £	Assets under construction £	Plant and equipment £	Motor vehicles £	Total £
	Cost					
	At 1 April 2020	6,958,644	1,194,595	22,006,531	989,820	31,149,590
	Additions	125,502	45,940	74,386	18,264	264,092
	Disposals	-	-	(31,716)	(12,141)	(43,857)
	Transfers	-	(567,319)	567,319	-	-
	At 31 March 2021	7,084,146	673,216	22,616,520	995,943	31,369,825
	Depreciation and impairment					
	At 1 April 2020	1,399,396	-	16,869,134	544,177	18,812,707
	Depreciation charged in the year	112,014	-	492,385	82,164	686,563
	Eliminated in respect of disposals	-	-	(864)	(552)	(1,416)
	At 31 March 2021	1,511,410	-	17,360,655	625,789	19,497,854
	Carrying amount					
	At 31 March 2021	5,572,736	673,216	5,255,865	370,154	11,871,971
	At 31 March 2020	5,559,248	1,194,595	5,137,397	445,643	12,336,883

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11	Tangible fixed assets	(Continued)			
	Company			Freehold buildings	
				£	
	Cost				
	At 1 April 2020			6,958,644	
	Additions			125,502	
	At 31 March 2021			7,084,146	
	Depreciation and impairment				
	At 1 April 2020			1,399,396	
	Depreciation charged in the year			112,014	
	At 31 March 2021			1,511,410	
	Carrying amount				
	At 31 March 2021			5,572,736	
	At 31 March 2020			5,559,248	
12	Fixed asset investments				
		Group	2020	Company	2020
		2021		2021	
	Notes	£	£	£	£
	Investments in subsidiaries	13	-	5,650,829	5,296,990
	Unlisted investments		472,138	377,710	472,138
		377,710	472,138	6,028,539	5,769,128
	Movements in fixed asset investments				
	Group				Investments other than loans
					£
	Cost or valuation				
	At 1 April 2020				472,138
	Impairment				(94,428)
	At 31 March 2021				377,710
	Carrying amount				
	At 31 March 2021				377,710
	At 31 March 2020				472,138

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Fixed asset investments

(Continued)

Movements in fixed asset investments

Company	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 April 2020	5,296,990	472,138	5,769,128
Additions	353,839	-	353,839
Valuation changes	-	(94,428)	(94,428)
At 31 March 2021	5,650,829	377,710	6,028,539
Carrying amount			
At 31 March 2021	5,650,829	377,710	6,028,539
At 31 March 2020	5,296,990	472,138	5,769,128

13 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Wallwork Cambridge Limited	Lodge Bank Works, Lord Street, Bury, Lancashire, BL9 0RE	Surface engineering	Ordinary shares	100.00
Wallwork Heat Treatment (Birmingham) Limited	Lodge Bank Works, Lord Street, Bury, Lancashire, BL9 0RE	Heat treatment of metals	Ordinary shares	100.00
Wallwork Heat Treatment Limited	Lodge Bank Works, Lord Street, Bury, Lancashire, BL9 0RE	Heat treatment of metals	Ordinary shares	100.00
Wallwork Newcastle Limited	Lodge Bank Works, Lord Street, Bury, Lancashire, BL9 0RE	Heat treatment of metals	Ordinary shares	100.00

14 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Raw materials and consumables	453,780	517,321	-	-
Work in progress	171,745	34,496	-	-
	625,525	551,817	-	-

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	3,947,261	4,380,416	132,165	-
Corporation tax recoverable	-	85,656	-	32,981
Amounts owed by group undertakings	-	-	4,615,907	4,438,394
Other debtors	81,046	98,117	-	-
Prepayments and accrued income	759,573	913,548	-	-
	<u>4,787,880</u>	<u>5,477,737</u>	<u>4,748,072</u>	<u>4,471,375</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 17)	<u>208,999</u>	<u>134,338</u>	<u>-</u>	<u>-</u>
Total debtors	<u>4,996,879</u>	<u>5,612,075</u>	<u>4,748,072</u>	<u>4,471,375</u>

16 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Notes				
Trade creditors	1,069,123	1,265,420	-	-
Corporation tax payable	147,924	2,000	84,292	-
Other taxation and social security	590,447	648,970	-	-
Deferred income	407,297	-	-	-
Other creditors	50,578	678	-	-
Accruals and deferred income	768,074	656,901	35,480	-
	<u>3,033,443</u>	<u>2,573,969</u>	<u>119,772</u>	<u>-</u>

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Group				
Accelerated capital allowances	631,786	590,333	-	-
Share based payments	-	-	208,999	134,338
	<u>631,786</u>	<u>590,333</u>	<u>208,999</u>	<u>134,338</u>

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Deferred taxation

(Continued)

	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Company				
Accelerated capital allowances	<u>31,527</u>	<u>30,062</u>	<u>-</u>	<u>-</u>
			Group	Company
			2021	2021
			£	£
Movements in the year:				
Liability at 1 April 2020			455,995	30,062
(Credit)/charge to profit or loss			<u>(33,208)</u>	<u>1,465</u>
Liability at 31 March 2021			<u>422,787</u>	<u>31,527</u>

18 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>830,951</u>	<u>902,046</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

19 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>2,073</u>	<u>2,073</u>	<u>2,073</u>	<u>2,073</u>

WHT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Share capital

(Continued)

The company has an unapproved share option scheme for the benefit of key employees. The options vest after 8 years and were granted in 2016. The number of options granted were 132 and the estimated value of these grants was £1,385,203.

Further unapproved share options were granted in November 2020. These options will vest in 2024. The number of options granted were 220 and the estimated value of these grants was £1,929,391.

The company also granted EMI share options in January 2021 for the benefit of key employees. A total of 232 share options have been granted, with half of these vesting in 3 years time and the other half in 10 years time. The estimated value of these grants was £2,002,931.

The value of these options are recognised over the vesting period and are recognised as an investment in subsidiaries in the holding company and in the trading company are recognised as employee costs. The accumulated related deferred tax effects have been recognised as an asset and the related expected national insurance costs have been recognised as a liability. These amounts have been included in reserves as the profit and loss effects of these have been recorded on an ongoing basis.

20 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	781,184	586,165
Adjustments for:		
Taxation charged	173,796	179,893
Investment income	(11,170)	(23,998)
Loss on disposal of tangible fixed assets	6,638	98,927
Amortisation and impairment of intangible assets	64,433	111,753
Depreciation and impairment of tangible fixed assets	686,563	692,871
Amounts written off investments	94,428	-
Equity settled share based payment expense	353,836	55,669
Movements in working capital:		
Increase in stocks	(73,708)	(98,362)
Decrease in debtors	604,201	257,278
Decrease in creditors	(93,747)	(93,819)
Increase in deferred income	407,297	-
Cash generated from operations	2,993,751	1,766,377

21 Analysis of changes in net funds - group

	1 April 2020 £	Cash flows £	31 March 2021 £
Cash at bank and in hand	3,213,523	2,801,208	6,014,731