

Company registration number 08531295 (England and Wales)

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

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CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Fixed assets			
Intangible assets	3	9,960	-
Tangible assets	4	181,574	94,523
		<u>191,534</u>	<u>94,523</u>
Current assets			
Stocks		1,059,991	977,917
Debtors	5	1,730,939	1,302,962
Cash at bank and in hand		739,909	1,175,935
		<u>3,530,839</u>	<u>3,456,814</u>
Creditors: amounts falling due within one year	6	<u>(1,950,932)</u>	<u>(1,873,571)</u>
Net current assets		<u>1,579,907</u>	<u>1,583,243</u>
Total assets less current liabilities		<u>1,771,441</u>	<u>1,677,766</u>
Creditors: amounts falling due after more than one year	7	<u>(112,707)</u>	<u>(270,527)</u>
Net assets		<u><u>1,658,734</u></u>	<u><u>1,407,239</u></u>
Capital and reserves			
Called up share capital	8	10,000	10,000
Profit and loss reserves		1,648,734	1,397,239
Total equity		<u><u>1,658,734</u></u>	<u><u>1,407,239</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 14 July 2023 and are signed on its behalf by:

A K Parkin
Director

Company Registration No. 08531295

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Castings Technology International Limited is a private company limited by shares incorporated in England and Wales. The registered office is Advanced Manufacturing Park, Brunel Way, Catcliffe, Rotherham, S60 5WG.

1.1 Reporting period

This set of financial statements are prepared for the 12 month period from 1 January 2022 to 31 December 2022. The comparative figures represent the 17 month period from 1 August 2020 to 31 December 2021 and this therefore must be taken into account when making a comparison.

1.2 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

1.3 Going concern

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

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.

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 delivery of the goods when shipment can be evidenced).

Revenue from sales of services are recognised in the accounting period in which the services are rendered. The company uses the percentage of completion method based on the actual service performed as a percentage of the total services provided.

Technology and royalty income is recognised on an accruals basis in accordance with the substance of the relevant agreement.

1.5 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.

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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

Software	Straight line over 3 years
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1.6 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.

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:

Plant and equipment	Straight line over 2-5 years
Tooling assets	Straight line over 2-5 years
Computers	Straight line over 3 years

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

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Material costs are determined on the first in first out (FIFO) method. Work in progress is only valued when required to fulfil a valid customer order, and the valuation consists of incurred material, direct labour and other direct costs.

At each reporting date, an assessment is made for impairment. If any material stock has not been used for a period of 12 months, the identified stock is written down to nil value.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. 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.

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.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price. 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.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

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

Current tax

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

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.13 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.

1.14 Retirement benefits

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

1.15 Leases

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

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

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

1.16 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.

1.17 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 Employees

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

	2022 Number	2021 Number
Total	82	75
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CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Intangible fixed assets

	Computer software £
Cost	
At 1 January 2022	-
Additions	9,960
At 31 December 2022	9,960
Amortisation and impairment	
At 1 January 2022 and 31 December 2022	-
Carrying amount	
At 31 December 2022	9,960
At 31 December 2021	-

4 Tangible fixed assets

	Assets under construction £	Plant and machinery etc £	Total £
Cost			
At 1 January 2022	12,679	108,620	121,299
Additions	97,095	47,291	144,386
Disposals	(12,679)	-	(12,679)
At 31 December 2022	97,095	155,911	253,006
Depreciation and impairment			
At 1 January 2022	-	26,776	26,776
Depreciation charged in the year	-	44,656	44,656
At 31 December 2022	-	71,432	71,432
Carrying amount			
At 31 December 2022	97,095	84,479	181,574
At 31 December 2021	12,679	81,844	94,523

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	1,129,979	1,010,952
Corporation tax recoverable	344,681	141,284
Other debtors	256,279	150,726
	<u>1,730,939</u>	<u>1,302,962</u>

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Obligations under finance leases	3,202	-
Other borrowings	88,602	429,473
Trade creditors	691,505	291,821
Amounts owed to group undertakings	50,000	50,000
Taxation and social security	149,506	187,828
Accruals and deferred income	968,117	914,449
	<u>1,950,932</u>	<u>1,873,571</u>

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Notes		
Other borrowings	112,707	270,527

Loans of £201,309 are guaranteed by an intercompany guarantee from Castings Technology Holdings Limited, personal guarantees from directors R S Cook and A K Parkin of £100,000 and a debenture over the assets of the company.

8 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

CASTINGS TECHNOLOGY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Audit report information

(Continued)

Senior Statutory Auditor: Paul Winwood
Statutory Auditor: BHP LLP

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2022	2021
£	£
1,691,835	2,120,309

11 Capital commitments

Amounts contracted for but not provided in the financial statements:

2022	2021
£	£
Acquisition of tangible fixed assets	
8,656	73,117

12 Related party transactions

During the period the company purchased £12,000 (2021: £11,000) of consultancy services from Campbell Technology Ltd, a company owned by Prof J Campbell, a director of the company. The company purchased £12,982 (2021: £2,112) of consultancy services from Sarach Steel Technologies Ltd, a company owned by Dr G A Honeyman, a director of the company. The company purchased £1,584 (2021: £2,397) of consultancy services from Steve Irwin, a director of the company. There was a balance of £1,706 owed to Sarach Steel Technologies Ltd outstanding at 31 December 2022 in relation to these related party transactions.

13 Parent company

The immediate parent company of Castings Technology International Limited is Castings Technology Holdings Limited. The ultimate controlling party is R S Cook by virtue of a majority shareholding in Castings Technology Holdings Limited.

14 Prior year reclassification

Comparative amounts in relation to R&D expenditure credit claim receivable have been reclassified within the P&L to be consistent with the current year treatment. This has no impact on the profit or reserves.

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