

Company registration number 03355358 (England and Wales)



ADAERO PRECISION COMPONENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

PAGES FOR FILING WITH REGISTRAR

ADAERO PRECISION COMPONENTS LIMITED

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ADAERO PRECISION COMPONENTS LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2024**

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		1,622,252		1,862,987
Current assets					
Stocks		868,495		1,197,204	
Debtors	5	843,996		1,097,792	
		<u>1,712,491</u>		<u>2,294,996</u>	
Creditors: amounts falling due within one year	6	<u>(1,691,583)</u>		<u>(2,184,618)</u>	
Net current assets			20,908		110,378
Total assets less current liabilities			<u>1,643,160</u>		<u>1,973,365</u>
Provisions for liabilities			<u>(33,191)</u>		<u>(108,262)</u>
Net assets			<u>1,609,969</u>		<u>1,865,103</u>
Capital and reserves					
Called up share capital	7		500		500
Profit and loss reserves			<u>1,609,469</u>		<u>1,864,603</u>
Total equity			<u>1,609,969</u>		<u>1,865,103</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 25 June 2025 and are signed on its behalf by:

Mr I A Steel
Director

Company registration number 03355358 (England and Wales)

ADAERO PRECISION COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

Adaero Precision Components Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 6 Down End, Lords Meadow Industrial Estate, Crediton, Devon, EX17 1HN.

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 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.

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

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management

1.2 Going concern.

In assessing the company's ability to continue as a going concern, the directors have reviewed the company's financial statements and the company's cash flow forecasts for the period ending 31 December 2025. The company's performance with respect to cash and liquidity is set out in the accompanying notes, along with the commitment of continued support from the company's parent.

As such the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

As at 31 December 2024, the company had net current assets of £20,908 (2023: £110,378).

1.3 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.

ADAERO PRECISION COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

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.

1.4 Tangible fixed assets

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

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	25% reducing balance & 10% - 50% straight line
Computers	10% - 50% straight line

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

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell after due regard for obsolete and slow-moving stocks. Costs include raw materials costs plus a proportion of labour, machine and overhead costs which have been proportionally allocated to each stock item, where applicable based on an appropriate absorption rate.

The balance included in the year end stock value includes raw materials, work in progress and finished goods.

1.6 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.

1.7 Financial instruments

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

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

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

Basic financial assets

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

ADAERO PRECISION COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

- Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.
- 1.8 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.

Deferred tax

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

- The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.
- 1.9 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.

1.10 Retirement benefits

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

ADAERO PRECISION COMPONENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.11 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 leases asset are consumed.

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

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Going concern

In assessing the company's ability to continue as a going concern, the directors have reviewed the company cashflow and profit forecasts for the foreseeable future and considered the company's performance with respect to cash and facility headroom, along with the commitment of continued support from the company's parent.

As such the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

As at 31 December 2024, the company had net current assets of £20,908 (2023: £110,378).

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The annual depreciation charge for tangible fixed assets is sensitive to change in the estimated useful lives of the assets. The useful economic lives are re-assessed and amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Stock valuation

At the year end the company had stock of £868,495 (2023: £1,197,204). As noted at 1.4 above, stocks are valued at the lower of cost and estimated selling price. The valuation of WIP and finished goods involves the exercise of judgement as the costing is based on the stage of completion and management's estimate of direct and indirect production costs absorbed.

ADAERO PRECISION COMPONENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****3 Employees**

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

	2024 Number	2023 Number
Total	55	64

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2024	6,076,546
Additions	160,259
Disposals	(23,494)
At 31 December 2024	6,213,311
Depreciation and impairment	
At 1 January 2024	4,213,559
Depreciation charged in the year	390,768
Eliminated in respect of disposals	(13,268)
At 31 December 2024	4,591,059
Carrying amount	
At 31 December 2024	1,622,252
At 31 December 2023	1,862,987

ADAERO PRECISION COMPONENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****5 Debtors**

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	678,685	826,224
Corporation tax recoverable	108,226	233,227
Other debtors	57,085	38,341
	<u>843,996</u>	<u>1,097,792</u>

6 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts	1,255,014	1,777,693
Trade creditors	172,117	252,208
Amounts owed to group undertakings	1,320	-
Taxation and social security	136,383	114,823
Other creditors	126,749	39,894
	<u>1,691,583</u>	<u>2,184,618</u>

7 Called up share capital

	2024	2023	2024	2023
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	500	500	500	500

8 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 is unqualified and includes the following:

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss 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.

Senior Statutory Auditor:

Mr John Griffiths

Statutory Auditor:

UHY Hacker Young

Date of audit report:

25 June 2025

ADAERO PRECISION COMPONENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****9 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:

2024	2023
£	£
224,450	338,148
<u> </u>	<u> </u>

10 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2024	2023
	£	£
Acquisition of tangible fixed assets	-	9,385
	<u> </u>	<u> </u>

11 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 Section 33 'Related party disclosures' not to disclose transactions entered into between two or more members of a group as the company and other group members are wholly owned subsidiary undertakings of the group to which they are party to the transactions.

12 Parent company

The immediate parent company is Indutrade UK Limited, a company registered in England & Wales.

The ultimate parent company is Indutrade AB, a company registered in Sweden.

Indutrade AB is the parent of the smallest and largest group of which the company is a member for which consolidated accounts will be prepared. Copies of the Indutrade AB accounts are available from its website www.indutrade.com.

There is no ultimate controlling party.

