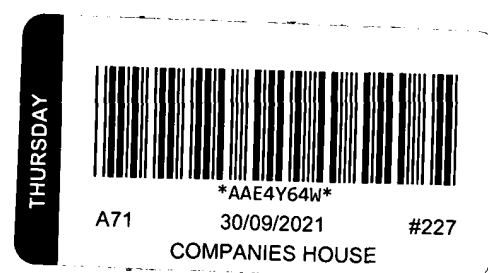


**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

DIRECTOR'S REPORT AND

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



BCD Chartered Accountants
Second Floor
21 Graham Street
Birmingham
United Kingdom
B1 3JR

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTOR:	P T Brown
SECRETARY:	Mrs G S Passey
REGISTERED OFFICE:	Unit 8 Lagrange Tamworth Staffordshire B79 7XD
REGISTERED NUMBER:	03676535 (England and Wales)
ACCOUNTANTS:	BCD Chartered Accountants Second Floor 21 Graham Street Birmingham United Kingdom B1 3JR
BANKERS:	BNP Paribas Bank London Branch 10 Harewood Avenue London NW1 6AA

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his annual report with the unaudited financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of optical lens coating.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020 (2019: £Nil).

DIRECTOR

P T Brown held office during the whole of the period from 1 January 2020 to the date of this report.

FUTURE DEVELOPMENTS AND POST BALANCE SHEET EVENTS

The director reports that the business has grown significantly during the year due in the main to the successful implementation of the SICK (Weisser & Griesshaber) contract.

Despite a reduction in activity from what could be considered 'traditional' accounts (Honeywell, Scott WH Smith etc.) the business achieved an improvement in revenue of 60% on the prior year resulting in turnaround from a loss situation in 2019 to 25% EBIT margin in 2020.

The company has focussed on the introduction of improved process facilities and development of existing systems as well as the introduction of new personnel to support the implementation of this new programme. It is clear from the results that this has been a huge success.

Whilst the management recognises that there is a degree of vulnerability as a result of this collaboration (W&G accounted for approx. 41% of the total revenue), the end user (SICK) is considered to be the market leader in its field and showing strong growth potential. The companies (SICK, W&G & OCT) are signed up to a joint contract, which guarantees a high level of business to the end of 2022. Furthermore, there are strong indications that the company is in a high growth phase as the introduction of autonomous machinery (inc vehicles) becomes more 'mainstream'.

The local management has excellent links with the management teams in Germany such that the relationship is now well developed and there is very close collaboration at all stages of the programme.

The small management team has again demonstrated excellent overall control of costs within the organisation and the EBIT margins demonstrate all round good management practices at an operational level. The Works Manager and Company Secretary have an excellent understanding of the business current and future needs and manage the operations efficiently and effectively in all circumstances.

The organisation has been further strengthened this year by the introduction of QHSE Manager.

The end of the Brexit transition phase has resulted in some early difficulties with the transfer of goods and the business is having to adapt in line with the revised customs procedures. This is particularly challenging as the main customer is in Germany and a large proportion of the business involves movement of goods in/out of the European Union.

The company has been preparing in advance of this by implementing training for the Administrators and establishing a support network of personnel who are experienced in the field from its sister company Aalberts Surface Technologies Ltd and external training / consultancy providers.

There are no other post balance sheet events noted.

GOING CONCERN

The financial statements have been prepared using the going concern basis of accounting. There are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern, as described further in note 2.

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTORS INDEMNITIES

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

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables). Debtor days outstanding are closely monitored throughout the year and action is taken promptly when payment terms are breached.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulties to meet obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group maintains sufficient reserves of cash to meet the liquidity requirements of the company at all times.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

APPROVED AND AUTHORISED BY THE BOARD:



P T Brown - Director

6 September 2021

**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR
ON THE UNAUDITED FINANCIAL STATEMENTS OF
AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Aalberts Surface Technologies OCT Limited for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the director of Aalberts Surface Technologies OCT Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Aalberts Surface Technologies OCT Limited and state those matters that we have agreed to state to the director of Aalberts Surface Technologies OCT Limited in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Aalberts Surface Technologies OCT Limited and its director for our work or for this report.

It is your duty to ensure that Aalberts Surface Technologies OCT Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Aalberts Surface Technologies OCT Limited. You consider that Aalberts Surface Technologies OCT Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Aalberts Surface Technologies OCT Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

BCD Chartered Accountants

BCD Chartered Accountants
Second Floor
21 Graham Street
Birmingham
United Kingdom
B1 3JR

6 September 2021

This page does not form part of the statutory financial statements

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**STATEMENT OF COMPREHENSIVE
INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
TURNOVER	3	1,596,151	966,518
Cost of sales		<u>(594,445)</u>	<u>(493,502)</u>
GROSS PROFIT		1,001,706	473,016
Administrative expenses		<u>(598,064)</u>	<u>(528,224)</u>
		403,642	(55,208)
Other operating income		<u>434</u>	<u>33,459</u>
OPERATING PROFIT/(LOSS)	5	404,076	(21,749)
Exceptional item	6	<u>(11,400)</u>	<u>(34,822)</u>
		392,676	(56,571)
Interest receivable and similar income	7	<u>13,139</u>	<u>18,516</u>
PROFIT/(LOSS) BEFORE TAXATION		405,815	(38,055)
Tax on profit/(loss)	8	<u>(77,105)</u>	<u>7,402</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		328,710	(30,653)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>328,710</u>	<u>(30,653)</u>

The notes form part of these financial statements

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED (REGISTERED NUMBER: 03676535)**

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	9	60,965	91,463
Investments	10	2	-
		<u>60,967</u>	<u>91,463</u>
CURRENT ASSETS			
Stocks	11	116,336	127,639
Debtors	12	198,717	187,409
Cash at bank and in hand		1,447,308	1,069,009
		<u>1,762,361</u>	<u>1,384,057</u>
CREDITORS			
Amounts falling due within one year	13	(225,727)	(206,615)
NET CURRENT ASSETS		<u>1,536,634</u>	<u>1,177,442</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,597,601	1,268,905
PROVISIONS FOR LIABILITIES	15	-	(14)
NET ASSETS		<u><u>1,597,601</u></u>	<u><u>1,268,891</u></u>

The notes form part of these financial statements

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED (REGISTERED NUMBER: 03676535)**

**STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2020**

	Notes	2020 £	2019 £
CAPITAL AND RESERVES			
Called up share capital	16	2	2
Profit and loss account	17	<u>1,597,599</u>	<u>1,268,889</u>
SHAREHOLDERS' FUNDS		<u><u>1,597,601</u></u>	<u><u>1,268,891</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the director and authorised for issue on 6 September 2021 and were signed by:



P T Brown - Director

The notes form part of these financial statements

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2019	2	1,299,542	1,299,544
Changes in equity			
Deficit for the year	-	(30,653)	(30,653)
	<hr/>	<hr/>	<hr/>
Total comprehensive loss	-	(30,653)	(30,653)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	2	1,268,889	1,268,891
	<hr/>	<hr/>	<hr/>
Changes in equity			
Profit for the year	-	328,710	328,710
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	328,710	328,710
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	2	1,597,599	1,597,601
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Aalberts Surface Technologies OCT Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

General information and basis of accounting

Aalberts Surface Technologies OCT Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the report of the director on pages 2 to 3.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The presentation currency of the financial statements is pounds sterling.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The financial statements have been prepared using the going concern basis of accounting because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. In making this assessment, the directors has considered the forecasts of the company for a period of at least 12 months from the date of signing this report. These forecasts also take into account the financial position of the company and the fact the it is part of the Group's cash pooling facility. These forecasts demonstrate the company is able to operate within existing resources, thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as it is a qualifying entity:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Please refer to note 19 for details of where group accounts including full disclosures can be obtained.

Interest income

Interest income relates to interest received on the company's cash pooling bank account balance with group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, for services excluding value added tax. Turnover is recognised at the point the services are completed and the treated goods are available for collection by the customer.

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

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

Plant and machinery	- 25% per annum
Fixtures and fittings	- 25% per annum
Motor vehicles	- 25% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Provisions

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

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

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgements which need to be brought to the attention of the users of these financial statements.

Other estimates, assumptions and judgements are applied by the company. These include, but not limited to, cost of sales, general overhead expenditure and provisions. These estimates, assumptions and judgements are evaluated on a continual basis but are not significant.

3. TURNOVER

The turnover and profit (2019 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2020	2019
	£	£
Services	1,596,151	966,518
	<u>1,596,151</u>	<u>966,518</u>

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. TURNOVER - continued

An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	788,275	761,725
Europe	770,775	169,127
Rest of the world	37,101	35,666
	<u>1,596,151</u>	<u>966,518</u>

4. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	427,696	309,551
Social security costs	19,594	15,353
Other pension costs	6,084	4,348
	<u>453,374</u>	<u>329,252</u>

The average number of employees during the year was as follows:

	2020	2019
Administration	5	4
Production	8	8
	<u>13</u>	<u>12</u>

	2020	2019
	£	£
Director's remuneration	<u>12,000</u>	<u>12,000</u>

5. OPERATING PROFIT/(LOSS)

The operating profit (2019 - operating loss) is stated after charging/(crediting):

	2020	2019
	£	£
Operating leases - rent	67,910	67,910
Depreciation - owned assets	30,498	11,384
Foreign exchange differences	(1,036)	1,905
Carrying amount of stock sold	321,727	319,189
Operating leases - other	<u>11,261</u>	<u>9,026</u>

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. EXCEPTIONAL ITEMS

	2020	2019
	£	£
Exceptional item	<u>(11,400)</u>	<u>(34,822)</u>

This figure relates to project management costs incurred during the year. This will continue in 2021.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

The total of £13,139 (2019: £18,516) as detailed on page 4 relates to interest received on the company's cash pooling bank account balance with group.

8. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	79,774	(8,879)
Deferred tax	<u>(2,669)</u>	<u>1,477</u>
Tax on profit/(loss)	<u>77,105</u>	<u>(7,402)</u>

UK corporation tax has been charged at 19%.

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is the same as the standard rate of corporation tax in the UK.

	2020	2019
	£	£
Profit/(loss) before tax	<u>405,815</u>	<u>(38,055)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	77,105	(7,230)
Effects of:		
Capital allowances in excess of depreciation	-	(1,649)
Depreciation in excess of capital allowances	2,669	-
Origination and reversal of temporary differences	<u>(2,669)</u>	<u>1,477</u>
Total tax charge/(credit)	<u>77,105</u>	<u>(7,402)</u>

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. TAXATION - continued

Factors that may affect future tax charges

Changes in the rates of corporation tax and the rates at which capital allowances are available to the company are the primary factors that the director considers may affect future tax charges. The Corporation Tax rate is 19% with effect from 1 April 2017. The rate of 19% has been used to measure the deferred tax liabilities and assets as at 31 December 2020.

Factors affecting tax charge for year

Other than expenses disallowed for tax purposes, permanent timing differences and deferred tax, there are no factors that affected the tax charge for the year, which has been calculated on the losses on ordinary activities before tax at the standard rate of corporation tax in the UK.

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2020 and 31 December 2020	482,053	19,016	24,500	525,569
DEPRECIATION				
At 1 January 2020	390,590	19,016	24,500	434,106
Charge for year	30,498	-	-	30,498
At 31 December 2020	421,088	19,016	24,500	464,604
NET BOOK VALUE				
At 31 December 2020	60,965	-	-	60,965
At 31 December 2019	91,463	-	-	91,463

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
Additions	2
At 31 December 2020	2
NET BOOK VALUE	
At 31 December 2020	2

**AALBERTS SURFACE TECHNOLOGIES OCT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. FIXED ASSET INVESTMENTS - continued

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Optical Coating Technologies Limited

Registered office: Unit 8, Lichfield Trading Estate, Lagrange, Tamworth, United Kingdom, B79 7XD

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		2020	2019
		£	£
Aggregate capital and reserves		<u>2</u>	<u>2</u>

11. STOCKS

	2020	2019
	£	£
Raw materials	<u>116,336</u>	<u>127,639</u>

There is no material difference between the carrying value of stocks and their replacement cost.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	170,068	110,654
Other debtors	-	13,830
Tax	-	23,191
VAT	-	14,149
Deferred tax asset	2,655	-
Prepayments and accrued income	25,994	25,585
	<u>198,717</u>	<u>187,409</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	67,014	106,808
Amounts owed to group undertakings	18,580	84,711
Tax	79,774	-
Social security and other taxes	12,564	9,817
VAT	29,838	-
Other creditors	2	-
Accruals and deferred income	17,955	5,279
	<u>225,727</u>	<u>206,615</u>

**AALBERTS SURFACE TECHNOLOGIES OCT
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

The payment terms of amounts owed to group undertakings are under normal trading conditions, being 60 days and non interest bearing. Included within 'amounts owed to group undertakings' is an amount due to the ultimate parent company, Aalberts N.V. of £558 (2019: £767).

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	73,462	74,076
Between one and five years	93,185	165,854
	<u>166,647</u>	<u>239,930</u>

The operating lease payments recognised as an expense in 2020 total £74,211 (2019: £71,976).

15. PROVISIONS FOR LIABILITIES

	2019
	£
Deferred tax	14
	<u>14</u>
	Deferred
	tax
	£
Balance at 1 January 2020	14
Credit to Statement of Comprehensive Income during year	<u>(2,669)</u>
Balance at 31 December 2020	<u>(2,655)</u>

The deferred tax liability balance at 31 December 2020 consists solely of taxable temporary differences.

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Company.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

17. RESERVES

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

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18. PENSION COMMITMENTS

The pension cost charge represents contributions payable to the employees pension scheme, which amounted to £6,083 (2019: £4,348).

19. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

20. ULTIMATE CONTROLLING PARTY

The company's ultimate parent undertaking and controlling party at the statement of financial position date was Aalberts N.V. a company incorporated in the Netherlands. The group financial statements are publicly available from Aalberts N.V. The registered office of Aalberts N.V. is World Trade Center, Utrecht, Stadsplateau 18, NL-3521 AZ Utrecht, PO Box 1218, NL-3500 BE Utrecht, The Netherlands.

The parent of the smallest group for which consolidated financial statements are drawn up and available at the registered office below is Impreglon GmbH, Kerpen, of which Aalberts Surface Technologies OCT Limited is a member. The parent of the largest group in which the financial statements are consolidated is the ultimate parent, Aalberts N.V.

The registered office of Impreglon GmbH, Kerpen is as follows:

Impreglon GmbH, Kerpen
Hohenhorststr.1
DE-21337
Lueneburg
Germany

21. PRINCIPAL PLACE OF BUSINESS

The address of the company's principal place of business and registered office is:

Unit 8 Lagrange
Tamworth
Staffordshire
B79 7XD