

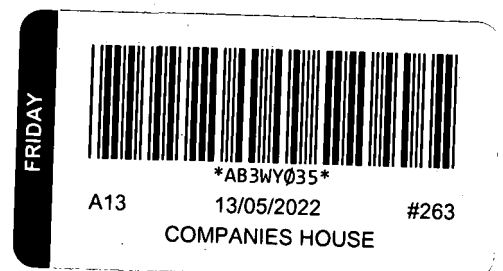
**REGISTERED NUMBER: 12334705 (England and Wales)**

**BOLT & NUT MANUFACTURING HOLDINGS LIMITED**

**Group Strategic Report, Report of the Director and**

**Consolidated Financial Statements for the Year Ended 31 December 2021**

Michael Dufty Partnership Limited  
Statutory Auditors  
59-61 Charlotte Street  
St Pauls Square  
Birmingham  
West Midlands  
B3 1PX



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for the Year Ended 31 December 2021**

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**BOLT & NUT MANUFACTURING HOLDINGS LIMITED**

**Company Information  
for the Year Ended 31 December 2021**

**DIRECTOR:**

M J Smith

**REGISTERED OFFICE:**

Cannon Business Park  
Gough Road  
Coseley  
West Midlands  
WV14 8XR

**REGISTERED NUMBER:**

12334705 (England and Wales)

**AUDITORS:**

Michael Dufty Partnership Limited  
Statutory Auditors  
59-61 Charlotte Street  
St Pauls Square  
Birmingham  
West Midlands  
B3 1PX

**Group Strategic Report  
for the Year Ended 31 December 2021**

The director presents his strategic report of the company and the group for the year ended 31 December 2021.

**REVIEW OF BUSINESS**

2021 has been regarded as a year of recovery and rebuilding as our markets gradually re-opened albeit intermittently following what has been a two- year period of uncertainty and disruption caused by the COVID-19 pandemic. This has made the financial year extremely challenging.

The commitment and huge effort of our employees has meant that in this year of uncertainty we are delighted to have delivered both turnover and profit growth reflecting the strength and resilience of the business.

The group has achieved turnover in the year of £9,718,129 (2020:£8,960,649) an increase of 8.45% when compared with prior year with order intake gathering momentum after what was a sluggish first quarter.

The gross margin percentage is 39.29% (2020: 39.56%) which is consistent with prior year.

Focus remained throughout on maintaining our high levels of customer service, a disciplined approach to cost management and streamlining operational processes, improving efficiency and reducing waste through our continued programme of capital investment and modernisation of manufacturing methods.

Despite input cost pressures margins held up well reflecting the internal improvements made and enabling us to remain competitive in a very tough market.

Net profit before tax of £816,667 (2020: £666,348) has improved, and is a credit to the huge effort from all in working hard in collaboration with our customers, suppliers and stakeholders to make continuous improvements in a period of significant challenge and change.

The group shareholder funds at the year end are £523,889 (2020: £266,633) with total equity being £829,514 (2020: £424,659)

**Strategic Priorities**

The group continually assesses its strategic priorities and considers it key to be fully prepared and ready to exploit all profitable opportunities as market restrictions ease, ensuring that customer service levels are maintained to current high standards. The board and management continue to be committed to further investment to continuously improve in its manufacturing, systems and management capabilities in future periods.

**Outlook**

The group is beginning to emerge from what is 15 months of market disruption and, during this time has nurtured existing customers whilst adding new accounts at a respectable rate.

The anticipation is that major projects held for some time now will begin to be released and where the company is well placed to take full advantage. It is committed to the continual improvement in quality of product, investment in processes and customer service excellence.

Manufacturing quality continues to remain key for the company and is committed in making even further improvements through a rolling programme of specific investments in modern production and control systems. This will boost productivity further and improve service levels to ensure that we can maintain our competitive edge.

We aim to provide the best products and exceptional value for money for all of our customers, with retained profits re-invested in product manufacturing initiatives, systems developments and in the recruitment of business development professionals. This strategy will support profitable sales growth and protect profits ensuring that further investments can be made to reduce unit costs, support innovation and maintain the company's position as a premier provider of quality bolting solutions both in the UK and Worldwide.

**Group Strategic Report  
for the Year Ended 31 December 2021**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties faced by the group continue to include the COVID-19 Pandemic albeit we are now beginning to emerge from this, raw material price fluctuations, foreign currency exchange movements and trade debtor risk.

The group has established strong relationships with its key supplier base which has developed particularly during the pandemic to support balanced stock build initiatives to support future sales growth and sustain our high standards of customer service. This has enabled the company to leverage improved buying power which should help mitigate any adverse commodity-based material price changes.

Foreign currency fluctuations and any potential exposures are managed by balancing foreign currency purchasing requirements with receipts from international customers thus providing an effective natural "hedge".

Trade Debtor risk is managed and controlled through a disciplined approach to credit management and the extensive screening and checking of all new business prospects and the monitoring of existing customers through a recognised credit risk management product provider. This is further backed by a decision in late 2020 to credit insure our turnover to reduce this risk even further.

Whilst uncertainty still remains with COVID-19 worries still prevalent, we do have a renewed sense of optimism as we see our order book begin to grow to re-set our path to return to pre-COVID levels of activity.

**FINANCIAL RISK**

The group is exposed to variety of financial risks and undertakes regular reviews to identify such risks and wherever possible put processes in place to mitigate such risks.

**LIQUIDITY RISK**

Liquidity risk arises from the group's management of working capital and the finance charges on its debt instruments. It is the risk the group will encounter difficulty in meeting its financial obligations as they fall due.

The group prepares rolling cashflow forecasts. Here debtor and creditor positions are reviewed as are current availability from invoice finance and bank account balances. The financial statements are prepared on a going concern basis as it is expected that the group can meet obligations as they fall due.

**INTEREST RATE RISK**

The group considers that the current interest rate risk is adequately covered through operating profit.

**ON BEHALF OF THE BOARD:**



M J Smith - Director

29 April 2022

**Report of the Director  
for the Year Ended 31 December 2021**

The director presents his report with the financial statements of the company and the group for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of manufacture and supply of fasteners including high integrity bolting for the oil, gas and petrochemical industries.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2021 will be £149,364.

**DIRECTOR**

M J Smith held office during the whole of the period from 1 January 2021 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Group Strategic Report, the Report of the Director 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). 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Michael Duffy Partnership Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



M J Smith - Director

29 April 2022

## **Report of the Independent Auditors to the Members of Bolt & Nut Manufacturing Holdings Limited**

### **Opinion**

We have audited the financial statements of Bolt & Nut Manufacturing Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 of the parent company affairs as at 31 December 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director's 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 the 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 director with respect to going concern are described in the relevant sections of this report.

### **Other information**

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of Bolt & Nut Manufacturing Holdings Limited**

### **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 Group Strategic Report or the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is responsible for assessing the group's and 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

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

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error, to obtain sufficient appropriate audit evidence regarding the assessed risk of material misstatement due to fraud or error, and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected even though the audit is properly planned and performed in accordance with ISAs (UK).

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, our procedures included the following:

- we obtained an understanding of the legal and regulatory frameworks applicable to the Company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006 and UK corporate taxation laws.

- we obtained an understanding of how the Company are complying with those legal and regulatory frameworks by making inquiries of the Company's management, and considering available audit information.

We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design and effectiveness of controls management has in place to prevent and detect fraud.
- understanding how management considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process.
- challenging assumptions and judgments made by management in its significant accounting estimates
- identifying and testing journal entries as deemed necessary during the audit and, in particular reviewing material journal entries posted with unusual accounting combinations.
- assessing the extent of compliance with the relevant laws and regulations.

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



**Report of the Independent Auditors to the Members of  
Bolt & Nut Manufacturing Holdings Limited**

**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 a Report of the Auditors 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.

*Michael Duffy Partnership Limited*

Robert Maclaren FCCA (Senior Statutory Auditor)  
for and on behalf of Michael Duffy Partnership Limited  
Statutory Auditors  
59-61 Charlotte Street  
St Pauls Square  
Birmingham  
West Midlands  
B3 1PX

29 April 2022

**BOLT & NUT MANUFACTURING HOLDINGS LIMITED (REGISTERED NUMBER: 12334705)**

**Consolidated  
Income Statement  
for the Year Ended 31 December 2021**

		Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
	Notes		
<b>TURNOVER</b>	3	9,718,129	8,960,649
Cost of sales		5,899,975	5,416,198
<b>GROSS PROFIT</b>		3,818,154	3,544,451
Administrative expenses		3,148,981	2,952,837
		669,173	591,614
Other operating income		176,544	105,197
<b>OPERATING PROFIT</b>	5	845,717	696,811
Interest payable and similar expenses	6	29,050	30,463
<b>PROFIT BEFORE TAXATION</b>		816,667	666,348
Tax on profit	7	155,148	115,119
<b>PROFIT FOR THE FINANCIAL YEAR</b>		661,519	551,229
Profit attributable to:			
Owners of the parent		406,620	326,403
Non-controlling interests		254,899	224,826
		661,519	551,229

The notes form part of these financial statements

**BOLT & NUT MANUFACTURING HOLDINGS LIMITED (REGISTERED NUMBER: 12334705)**

**Consolidated  
Other Comprehensive Income  
for the Year Ended 31 December 2021**

	Notes	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
<b>PROFIT FOR THE YEAR</b>		661,519	551,229
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>661,519</u>	<u>551,229</u>
Total comprehensive income attributable to:			
Owners of the parent		406,620	326,403
Non-controlling interests		254,899	224,826
		<u>661,519</u>	<u>551,229</u>

The notes form part of these financial statements

**BOLT & NUT MANUFACTURING HOLDINGS LIMITED (REGISTERED NUMBER: 12334705)****Consolidated Balance Sheet  
31 December 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	10	1,682,341	1,959,630
Tangible assets	11	1,004,793	1,016,223
Investments	12	-	-
		<u>2,687,134</u>	<u>2,975,853</u>
<b>CURRENT ASSETS</b>			
Stocks	13	3,124,932	3,306,441
Debtors	14	1,862,739	1,299,891
Cash at bank		193,933	223,626
		<u>5,181,604</u>	<u>4,829,958</u>
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>3,622,128</u>	<u>3,426,780</u>
<b>NET CURRENT ASSETS</b>		<u>1,559,476</u>	<u>1,403,178</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,246,610</u>	<u>4,379,031</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(3,248,951)	(3,784,504)
<b>PROVISIONS FOR LIABILITIES</b>	20	<u>(168,145)</u>	<u>(169,868)</u>
<b>NET ASSETS</b>		<u><u>829,514</u></u>	<u><u>424,659</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	21	15,230	15,230
Retained earnings	22	508,659	251,403
<b>SHAREHOLDERS' FUNDS</b>		<u>523,889</u>	<u>266,633</u>
<b>NON-CONTROLLING INTERESTS</b>	23	<u>305,625</u>	<u>158,026</u>
<b>TOTAL EQUITY</b>		<u><u>829,514</u></u>	<u><u>424,659</u></u>

The financial statements were approved by the director and authorised for issue on 29 April 2022 and were signed by:



M J Smith - Director

The notes form part of these financial statements

**BOLT & NUT MANUFACTURING HOLDINGS LIMITED (REGISTERED NUMBER: 12334705)**

**Company Balance Sheet  
31 December 2021**

	Notes	2021	2020
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	10	-	-
Tangible assets	11	-	-
Investments	12	3,706,745	3,706,745
		<u>3,706,745</u>	<u>3,706,745</u>
<b>CURRENT ASSETS</b>			
Debtors	14	2,101	2,101
Cash at bank		12,500	66,000
		<u>14,601</u>	<u>68,101</u>
<b>CREDITORS</b>			
Amounts falling due within one year	15	495,241	548,741
		<u>495,241</u>	<u>548,741</u>
<b>NET CURRENT LIABILITIES</b>		<u>(480,640)</u>	<u>(480,640)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,226,105	3,226,105
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	2,639,232	2,925,060
		<u>2,639,232</u>	<u>2,925,060</u>
<b>NET ASSETS</b>		<u>586,873</u>	<u>301,045</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	21	15,230	15,230
Retained earnings	22	571,643	285,815
		<u>586,873</u>	<u>301,045</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>586,873</u>	<u>301,045</u>
 Company's profit for the financial year		 <u>435,192</u>	 <u>360,815</u>

The financial statements were approved by the director and authorised for issue on 29 April 2022 and were signed by:



M J Smith - Director

The notes form part of these financial statements

**BOLT & NUT MANUFACTURING HOLDINGS LIMITED (REGISTERED NUMBER: 12334705)**

**Consolidated Statement of Changes in Equity  
for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
<b>Changes in equity</b>					
Issue of share capital	15,230	-	15,230	-	15,230
Dividends	-	(75,000)	(75,000)	(66,800)	(141,800)
Total comprehensive income	-	326,403	326,403	224,826	551,229
<b>Balance at 31 December 2020</b>	<u>15,230</u>	<u>251,403</u>	<u>266,633</u>	<u>158,026</u>	<u>424,659</u>
<b>Changes in equity</b>					
Dividends	-	(149,364)	(149,364)	(107,300)	(256,664)
Total comprehensive income	-	406,620	406,620	254,899	661,519
<b>Balance at 31 December 2021</b>	<u>15,230</u>	<u>508,659</u>	<u>523,889</u>	<u>305,625</u>	<u>829,514</u>

The notes form part of these financial statements

**Company Statement of Changes in Equity  
for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Total equity £
<b>Changes in equity</b>			
Issue of share capital	15,230	-	15,230
Dividends	-	(75,000)	(75,000)
Total comprehensive income	-	360,815	360,815
<b>Balance at 31 December 2020</b>	<u>15,230</u>	<u>285,815</u>	<u>301,045</u>
<b>Changes in equity</b>			
Dividends	-	(149,364)	(149,364)
Total comprehensive income	-	435,192	435,192
<b>Balance at 31 December 2021</b>	<u><u>15,230</u></u>	<u><u>571,643</u></u>	<u><u>586,873</u></u>

**Consolidated Cash Flow Statement  
for the Year Ended 31 December 2021**

		Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
	Notes		
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,034,273	418,206
Interest paid		(15,781)	(18,028)
Interest element of hire purchase payments paid		(13,269)	(12,435)
Notional interest		12,209	17,293
Tax paid		(90,289)	30,571
Net cash from operating activities		<u>927,143</u>	<u>435,607</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(93,715)	(275,866)
Acquisition of subsidiary net of cash		-	234,483
Net cash from investing activities		<u>(93,715)</u>	<u>(41,383)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	300,000
Loan repayments in year		(634,624)	(492,942)
New Hire purchase contracts		65,061	228,150
Capital repayments in year		(86,894)	(79,236)
Amount introduced by directors		50,000	-
Share issue		-	15,230
Equity dividends paid		(149,364)	(75,000)
Dividends paid to minority interests		(107,300)	(66,800)
Net cash from financing activities		<u>(863,121)</u>	<u>(170,598)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(29,693)</u>	<u>223,626</u>
<b>Cash and cash equivalents at beginning of year</b>	2	223,626	-
<b>Cash and cash equivalents at end of year</b>	2	<u><u>193,933</u></u>	<u><u>223,626</u></u>



**Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 December 2021**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Profit before taxation	816,667	666,348
Depreciation charges	382,434	380,229
Finance costs	29,050	30,463
	<u>1,228,151</u>	<u>1,077,040</u>
Decrease/(increase) in stocks	181,509	(124,968)
(Increase)/decrease in trade and other debtors	(562,848)	210,607
Increase/(decrease) in trade and other creditors	187,461	(744,473)
	<u>1,034,273</u>	<u>418,206</u>
<b>Cash generated from operations</b>	<u>1,034,273</u>	<u>418,206</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2021**

	31.12.21 £	1.1.21 £
Cash and cash equivalents	<u>193,933</u>	<u>223,626</u>

**Period ended 31 December 2020**

	31.12.20 £	26.11.19 £
Cash and cash equivalents	<u>223,626</u>	<u>-</u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.21 £	Cash flow £	At 31.12.21 £
<b>Net cash</b>			
Cash at bank	<u>223,626</u>	<u>(29,693)</u>	<u>193,933</u>
	<u>223,626</u>	<u>(29,693)</u>	<u>193,933</u>
<b>Debt</b>			
Finance leases	(246,945)	21,833	(225,112)
Debts falling due within 1 year	(513,855)	99,398	(414,457)
Debts falling due after 1 year	<u>(3,620,733)</u>	<u>523,017</u>	<u>(3,097,716)</u>
	<u>(4,381,533)</u>	<u>644,248</u>	<u>(3,737,285)</u>
<b>Total</b>	<u>(4,157,907)</u>	<u>614,555</u>	<u>(3,543,352)</u>

**Notes to the Consolidated Financial Statements  
for the Year Ended 31 December 2021**

**1. STATUTORY INFORMATION**

Bolt & Nut Manufacturing Holdings 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 General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

Bolt & Nut Manufacturing Holdings Ltd has taken advantage of the FRS102 reduced disclosure exemption to not provide an individual cash flow statement as this is provided for the group as a whole.

**Significant judgements and estimates**

Certain of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

**Judgements in applying accounting policies**

- The director must judge whether all the conditions required for revenues to be recognised in the Statement of income and retained earnings for the financial year have been met.

**Sources of estimation**

- Depreciation rates are based on estimates of the useful lives and residual values of the assets involves.
- Bad debt provisions are based on the estimated recoverability of debtors at the year end.
- Work in Progress, included in stock, is based on materials cost plus a proportion of associated labour and other costs.
- Accruals provisions have been made for expenses relating to the year expected to be incurred in future months.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2020, is being amortised evenly over its estimated useful life of eight years.

Goodwill has been calculated on acquiring control of the business assets of Bolt and Nut Manufacturing limited on 19/12/2019.

The amount recorded as goodwill is the committed payments less the fair value of business assets of Bolt & Nut Manufacturing Limited.

The company agreed to pay £3,706,745 to obtain 72.73% share of the business assets, which will be paid over an 8 year period.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**2. ACCOUNTING POLICIES - continued**

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 20% on reducing balance

Tangible fixed assets are recorded at brought in cost.

**Government grants**

Government grants are recognized on an accruals basis.

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Stock includes finished goods, raw materials, tooling and work in progress. It includes all costs to bring to present location and condition by including apportioned labour and overhead.

Stock is tested for impairment and is reduced to its net realisable value if lower than cost and an impairment is recognized in the income statement.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021****2. ACCOUNTING POLICIES - continued****Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Going concern**

These financial statements have been prepared on a going concern basis. The Directors anticipate that the company will continue to be profitable in the forthcoming period and in the foreseeable future and will maintain positive cash flow, sufficient to meet its finance obligations as they fall due.

**Debtors**

Short term debtors are measured at transaction price.

**Creditors**

Short term creditors are measured at transaction price.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
United Kingdom	3,386,329	3,115,063
Europe	4,022,539	4,512,787
South America	24,048	164,611
Asia	301,725	342,200
North America	1,974,910	804,084
Africa	8,578	21,904
	<u>9,718,129</u>	<u>8,960,649</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**4. EMPLOYEES AND DIRECTORS**

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Wages and salaries	2,545,474	2,616,397
Social security costs	239,649	229,969
Other pension costs	82,404	65,340
	<u>2,867,527</u>	<u>2,911,706</u>

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

	Year Ended 31.12.21	Period 26.11.19 to 31.12.20
Production	50	55
Sales	16	17
Purchases	4	3
Accounts/Administration	8	9
Directors	8	8
	<u>86</u>	<u>92</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 86 (2020 - 92).

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Director's remuneration	137,371	61,889
Director's pension contributions to money purchase schemes	42,600	25,800
	<u></u>	<u></u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**5. OPERATING PROFIT**

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

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Hire of plant and machinery	9,947	5,684
Depreciation - owned assets	72,432	75,526
Depreciation - assets on hire purchase contracts	32,713	27,387
Goodwill amortisation	277,289	277,316
Auditors' remuneration	8,000	8,000
Foreign exchange differences	1,593	(602)
Operating leases - property rent	208,254	199,852
Operating leases - other	70,809	65,707
Government Grants	<u>(176,544)</u>	<u>(105,197)</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Bank loan interest	3,572	735
Loan	12,209	17,293
Hire purchase interest	13,269	12,435
	<u>29,050</u>	<u>30,463</u>

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Current tax:		
UK corporation tax	156,871	72,251
Deferred tax	<u>(1,723)</u>	<u>42,868</u>
Tax on profit	<u>155,148</u>	<u>115,119</u>

UK corporation tax was charged at 19% in 2020.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**7. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Profit before tax	<u>816,667</u>	<u>666,348</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	155,167	126,606
Effects of:		
Expenses not deductible for tax purposes	3,087	1,012
Adjustments to tax charge in respect of previous periods	-	(6,840)
Research and Development Claim prior years	(52,111)	(70,149)
Goodwill amortisation	51,908	51,909
Deferred tax opening position	(5,223)	9,295
Interest on Loan	<u>2,320</u>	<u>3,286</u>
Total tax charge	<u>155,148</u>	<u>115,119</u>

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**9. DIVIDENDS**

	Year Ended 31.12.21 £	Period 26.11.19 to 31.12.20 £
Interim	<u>149,364</u>	<u>75,000</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**10. INTANGIBLE FIXED ASSETS**

**Group**

	Goodwill £
<b>COST</b>	
At 1 January 2021	
and 31 December 2021	2,236,946
<b>AMORTISATION</b>	
At 1 January 2021	277,316
Amortisation for year	277,289
At 31 December 2021	554,605
<b>NET BOOK VALUE</b>	
At 31 December 2021	1,682,341
At 31 December 2020	1,959,630

**11. TANGIBLE FIXED ASSETS**

**Group**

	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2021	933,612	185,524	1,119,136
Additions	85,240	8,475	93,715
At 31 December 2021	1,018,852	193,999	1,212,851
<b>DEPRECIATION</b>			
At 1 January 2021	84,412	18,501	102,913
Charge for year	87,761	17,384	105,145
At 31 December 2021	172,173	35,885	208,058
<b>NET BOOK VALUE<sup>1</sup></b>			
At 31 December 2021	846,679	158,114	1,004,793
At 31 December 2020	849,200	167,023	1,016,223

The net book value of tangible fixed assets includes £341,228 (2020 - £331,299) in respect of assets held under hire purchase contracts.



**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**12. FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	3,706,745
<b>NET BOOK VALUE</b>	
At 31 December 2021	3,706,745
At 31 December 2020	3,706,745

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**12. FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

**Bolt & Nut Manufacturing Limited**

Registered office: England & Wales

Nature of business: Manufacture of Bolts & Nuts

Class of shares:	% holding
Ordinary	82.55
A	70.22
C	36.68
D	100.00
E	33.33
Overall	72.73%

	2021 £	2020 £
Aggregate and capital reserves	2,557,886	1,895,931
Profit for the year	661,955	824,446

On the 19th December 2019 Bolt & Nut Manufacturing Holdings acquired 72.73% of various share capitals of Bolt & Nut Manufacturing Limited (see above) for total consideration of £3,686,945, £3,671,716 in deferred consideration and £15,229 paid cash. Other costs of £19,800 were included in the investment value of £3,706,745. Consolidated goodwill of £2,185,634 arose from the acquisition. Bolt & Nut Manufacturing Limited is a respected company in it's field with the expertise and experience of the workforce and excellent customer relationships. Management has estimated the useful life of the goodwill to be 8 years which matches the repayment of the deferred consideration.

	NBV £	Adjustment £	Fair Value £
Goodwill	51,312	-	51,312
Tangible assets	843,270	-	843,270
Stocks	3,181,473	-	3,181,473
Trade and other debtors	1,510,498	-	1,510,498
Cash and cash equivalents	269,512	-	269,512
Trade and other creditors	(1,530,736)	-	(1,530,736)
Bank and other loan facilities	(2,677,218)	-	(2,677,218)
Deferred tax	(127,000)	-	(127,000)
Total identifiable net assets			1,521,111
Goodwill			2,185,634
Total			3,686,945

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**13. STOCKS**

	<b>Group</b>	
	2021	2020
	£	£
Raw material and tooling	793,580	894,204
Work-in-progress	230,839	109,552
Finished goods	2,100,513	2,302,685
	<u>3,124,932</u>	<u>3,306,441</u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	1,489,862	1,023,171	-	-
Other debtors	99,151	100,379	2,101	2,101
VAT	68,112	2,615	-	-
Prepayments	205,614	173,726	-	-
	<u>1,862,739</u>	<u>1,299,891</u>	<u>2,101</u>	<u>2,101</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts (see note 17)	78,629	53,027	-	-
Other loans (see note 17)	335,828	460,828	335,828	460,828
Hire purchase contracts (see note 18)	73,877	83,174	-	-
Trade creditors	622,132	551,463	-	-
Invoice finance	1,651,634	1,621,960	-	-
Amounts owed to group undertakings	-	-	153,163	81,663
Tax	208,982	142,400	-	-
Social security and other taxes	60,120	57,661	-	-
Other creditors	164,041	162,023	-	-
Directors' current accounts	50,000	-	-	-
Accrued expenses	376,885	294,244	6,250	6,250
	<u>3,622,128</u>	<u>3,426,780</u>	<u>495,241</u>	<u>548,741</u>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Bank loans (see note 17)	205,000	298,511	-	-
Other loans (see note 17)	2,892,716	3,322,222	2,639,232	2,925,060
Hire purchase contracts (see note 18)	151,235	163,771	-	-
	<u>3,248,951</u>	<u>3,784,504</u>	<u>2,639,232</u>	<u>2,925,060</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**17. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	78,629	53,027	-	-
Other loans	335,828	460,828	335,828	460,828
	<u>414,457</u>	<u>513,855</u>	<u>335,828</u>	<u>460,828</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	60,000	93,511	-	-
Other loans - 1-2 years	439,872	285,828	439,872	285,828
	<u>499,872</u>	<u>379,339</u>	<u>439,872</u>	<u>285,828</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	145,000	180,000	-	-
Other loans - 2-5 years	1,573,100	1,716,778	1,319,616	1,319,616
	<u>1,718,100</u>	<u>1,896,778</u>	<u>1,319,616</u>	<u>1,319,616</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	-	25,000	-	-
Other loans more 5yrs instal	879,744	1,319,616	879,744	1,319,616
	<u>879,744</u>	<u>1,344,616</u>	<u>879,744</u>	<u>1,319,616</u>

**18. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

<b>Group</b>	<b>Hire purchase contracts</b>	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	73,877	83,174
Between one and five years	151,235	163,771
	<u>225,112</u>	<u>246,945</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**18. LEASING AGREEMENTS - continued**

**Group**

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	268,856	284,018
Between one and five years	609,428	859,239
	<u>878,284</u>	<u>1,143,257</u>

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	Group	
	2021	2020
	£	£
Hire purchase contracts	225,112	246,945
Invoice Finance	1,651,634	1,621,960
Bank loans	283,629	351,538
	<u>2,160,375</u>	<u>2,220,443</u>

Hire purchase balances are secured on the relevant assets to which they relate.

Invoice Finance liability is secured on the debtors and certain stock.

Bank Loans are primarily a CBILS loan and security is by means of a charge on the company assets.

**20. PROVISIONS FOR LIABILITIES**

	Group	
	2021	2020
	£	£
Deferred tax	<u>168,145</u>	<u>169,868</u>
<b>Group</b>		
		Deferred tax
		£
Balance at 1 January 2021		169,868
accelerated capital allowances		(1,723)
Balance at 31 December 2021		<u>168,145</u>

The deferred tax balance is wholly attributable to timing differences arising from accelerated capital allowances.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2021**

**21. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
15,230	Ordinary	£1	<u>15,230</u>	<u>15,230</u>

**22. RESERVES**

**Group**

	Retained earnings £
At 1 January 2021	251,403
Profit for the year	406,620
Dividends	(149,364)
At 31 December 2021	<u>508,659</u>

**Company**

	Retained earnings £
At 1 January 2021	285,815
Profit for the year	435,192
Dividends	(149,364)
At 31 December 2021	<u>571,643</u>

**23. NON-CONTROLLING INTERESTS**

Non controlling interests which have been adjusted for a follows;

	2021	2020
Brought forward	158,026	0
Minority interest share of profits/(loss)	254,899	224,826
Dividends paid to minority interests	(107,300)	(66,800)
Carried forward	<u>305,625</u>	<u>158,026</u>

**24. PENSION COMMITMENTS**

The group has a commitment to pay £8,118 (2020 £2,000) which will be paid in next financial year.

**25. RELATED PARTY DISCLOSURES**

During the year, total dividends of £149,364 (2020 - £75,000) were paid to the director.