

FLUOROCARBON LIMITED
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

Rothmans Audit LLP
Statutory Auditors
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
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FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

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FLUOROCARBON LIMITED
COMPANY INFORMATION
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

DIRECTORS: T J Wells
F Wells
M J Roudsari

SECRETARY: F Wells

REGISTERED OFFICE: Fluorocarbon House
Caxton Hill
Hertford
Hertfordshire
SG13 7NH

REGISTERED NUMBER: 00693240 (England and Wales)

AUDITORS: Rothmans Audit LLP
Statutory Auditors
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022**

The directors present their report with the financial statements of the company for the period 1 January 2021 to 30 June 2022.

REVIEW OF BUSINESS

The turnover for the 18 month period was £3,067,832 (Year ended 31 December 2020: £252,420) with gross profit of £1,646,265 (Year ended 31 December 2020: £96,283).

The profit before tax in the period was £61,876 (Year ended 31 December 2020: £19,069), stated after charging exceptional costs totalling £420,113 (Year ended 31 December 2020: £nil) and depreciation of £15,863 (Year ended 31 December 2020: £nil).

The Company has continued to develop a new line of revenue in providing consultancy and testing services for clients requiring application and innovation related feasibility studies for complex material science problems. This forms part of a long-term strategic plan for the Company to maximise its extensive application knowledge towards becoming one of the global innovation leaders in the specialist field of high performance materials, particularly composites for the 21st century.

The Company retains its investment in Fluorocarbon Polymers SRL, a manufacturer of semi-finished and finished products located in Romania. In May 2022, the Company purchased the trade and assets of FCL Realisations 2022 Ltd and incorporated this manufacturing unit into its UK business.

DIVIDENDS

The total distribution of dividends for the period ended 30 June 2022 is £nil (2020: £nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

T J Wells
F Wells
M J Roudsari

INFLATION & GEOPOLITICAL TENSIONS

Since the Russia Ukraine conflict escalated in February 2022, inflation has been a significant and permanent risk to manage in the Group.

The Group has thoroughly reviewed its inventory, supply chain, customer demand, logistics, governance, payment terms, banking support, government support, and most importantly how the cashflow of the Group is likely to be impacted by the broad impacts of geopolitical disruption and inflation.

As a result of Group's operational activities in relation to macro factors, the Group is actively increasing its supply chain resilience and R&D activity on new product development. This is in response to ongoing US China tensions, Russia Ukraine conflict, increasing volatility in energy market and the effect of weakened global supply chains, raw material availability and reduced global integration and cooperation.

FUTURE DEVELOPMENTS

The Directors are cautiously optimistic about the future, in spite of increased materials costs and overheads. The reshaping of global market accompanied with global logistical difficulties will be providing new business opportunities as potential customers start onshoring their business activities.

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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 company's auditors are aware of that information.

AUDITORS

The auditors, Rothmans Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

F Wells - Director

27 March 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FLUOROCARBON LIMITED

Opinion

We have audited the financial statements of Fluorocarbon Limited (the 'company') for the period ended 30 June 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and 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 company's affairs as at 30 June 2022 and of its profit for the period 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FLUOROCARBON LIMITED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect of the operations of the Company. The key laws and regulations we considered in this context included the UK Companies Act and Health & Safety regulations.

Discussions were held within the engagement team regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential risk areas such as the completeness of revenue and liabilities, and the valuation of stock. Audit procedures were designed to ensure all of the risks were addressed.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing any correspondence with regulators and the company's legal advisors.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions; and
- Assessed whether judgements and assumptions contained any indication of potential bias.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FLUOROCARBON 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.

Robin Lloyd FCA (Senior Statutory Auditor)
for and on behalf of Rothmans Audit LLP
Statutory Auditors
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

27 March 2023

INCOME STATEMENT
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

	Notes	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
TURNOVER		3,067,832	252,420
Cost of sales		<u>1,421,567</u>	<u>156,137</u>
GROSS PROFIT		1,646,265	96,283
Administrative expenses		<u>1,576,891</u>	<u>77,214</u>
OPERATING PROFIT	4	69,374	19,069
Interest payable and similar expenses	6	<u>7,498</u>	-
PROFIT BEFORE TAXATION		61,876	19,069
Tax on profit	7	<u>-</u>	-
PROFIT FOR THE FINANCIAL PERIOD		<u>61,876</u>	<u>19,069</u>

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

	Notes	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
PROFIT FOR THE PERIOD		61,876	19,069
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>61,876</u>	<u>19,069</u>

The notes form part of these financial statements

BALANCE SHEET
30 JUNE 2022

	Notes	£	2022 £	£	2020 £
FIXED ASSETS					
Tangible assets	8		537,636		-
Investments	9		<u>1,682,877</u>		<u>1,682,877</u>
			2,220,513		1,682,877
CURRENT ASSETS					
Stocks	10	613,636		-	
Debtors	11	2,510,969		1,328,274	
Cash at bank		<u>48,919</u>		<u>17,811</u>	
		3,173,524		1,346,085	
CREDITORS					
Amounts falling due within one year	12	<u>3,894,400</u>		<u>1,596,486</u>	
NET CURRENT LIABILITIES			(720,876)		(250,401)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,499,637		1,432,476
CREDITORS					
Amounts falling due after more than one year	13		<u>5,285</u>		<u>-</u>
NET ASSETS			<u>1,494,352</u>		<u>1,432,476</u>
CAPITAL AND RESERVES					
Called up share capital	15		1,000		1,000
Retained earnings	16		<u>1,493,352</u>		<u>1,431,476</u>
SHAREHOLDERS' FUNDS			<u>1,494,352</u>		<u>1,432,476</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2023 and were signed on its behalf by:

F Wells - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	1,000	1,412,407	1,413,407
Changes in equity			
Total comprehensive income	-	19,069	19,069
Balance at 31 December 2020	1,000	1,431,476	1,432,476
Changes in equity			
Total comprehensive income	-	61,876	61,876
Balance at 30 June 2022	1,000	1,493,352	1,494,352

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

1. **COMPANY INFORMATION**

Fluorocarbon Limited was incorporated on 19 May 1961 under the Companies Act 1948, as a private limited company and is registered in England and Wales. The principal activity of Fluorocarbon Limited is providing consultancy and testing service, along with the design and production of polymer components. The address of its head office and registered office is Fluorocarbon House, Caxton Hill, Hertford, Hertfordshire, SG13 7NH.

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.

The presentation currency is £ sterling.

Going Concern

The financial statements have been prepared on the going concern basis.

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":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 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 paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Fluorocarbon Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Fluorocarbon Group Limited, Fluorocarbon House, Caxton Hill, Hertford, Hertfordshire, SG13 7NH.

Related party exemption

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.

Turnover

Turnover represents net amounts invoiced during the year (excluding value added tax) adjusted for accrued and deferred income where applicable. Sales are recognised on the provision of the service or despatch of the goods.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write off the cost, less estimated residual values of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 10 to 20% on reducing balance
Computer equipment	- 10% to 33% per annum on cost

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is adjusted for prospectively.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stock 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.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

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

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using 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 except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

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, including exchange differences on loans to subsidiaries, are taken into account in arriving at the operating result.

Pension costs

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the income statement.

Financial instruments

Basic financial instruments are measured at amortised cost.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors do not consider there to be any significant judgements or estimates used in the preparation of the accounts.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Frequency of reporting

The company's accounting reference date was extended from 31 December 2021 to 30 June 2022. The comparative information presented in the financial statements (including the related notes) may not be comparable.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

3. EMPLOYEES AND DIRECTORS

	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
Wages and salaries	586,884	130,314
Social security costs	70,714	14,966
Other pension costs	51,136	8,791
	<u>708,734</u>	<u>154,071</u>

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

	Period 1/1/21 to 30/6/22	Year ended 31/12/20
Management	2	3
Administrative staff	4	2
Production Staff	1	-
	<u>7</u>	<u>5</u>

The Company employed a total of 49 employees in June 2022.

	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
Directors' remuneration	184,972	53,333
Directors' pension contributions to money purchase schemes	1,979	547

4. OPERATING PROFIT

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

	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
Hire of plant and machinery	1,137	-
Depreciation - owned assets	14,727	-
Profit on disposal of fixed assets	(2,500)	-
Auditors' remuneration	21,666	3,000
Foreign exchange differences	40,394	33,137

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

5. **EXCEPTIONAL ITEMS**

Included within administrative expenses are exceptional costs totalling £420,113 in relation to the transfer of trade from Fluorocarbon Company Limited, plus a write off of a debt due from Fluorocarbon Company Limited as follows:

	£	
Bad debt write off		150,932
Restructuring costs following transfer of trade		269,181
		<u>420,113</u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
Bank interest	6,233	-
Hire purchase and finance lease charges	<u>1,265</u>	-
	<u>7,498</u>	<u>-</u>

7. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the period ended 30 June 2022 nor for the year ended 31 December 2020.

Reconciliation of total tax charge included in profit and loss

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

	Period 1/1/21 to 30/6/22 £	Year ended 31/12/20 £
Profit before tax	<u>61,876</u>	<u>19,069</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	11,756	3,623
Effects of:		
Expenses not deductible for tax purposes	482	-
Group relief	(12,266)	(3,623)
Impact of super deduction	(1,776)	-
Movement on losses and unprovided deferred tax	<u>1,804</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

8. TANGIBLE FIXED ASSETS	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST				
Additions	414,260	9,086	129,017	552,363
At 30 June 2022	<u>414,260</u>	<u>9,086</u>	<u>129,017</u>	<u>552,363</u>
DEPRECIATION				
Charge for period	8,574	479	5,674	14,727
At 30 June 2022	<u>8,574</u>	<u>479</u>	<u>5,674</u>	<u>14,727</u>
NET BOOK VALUE				
At 30 June 2022	<u>405,686</u>	<u>8,607</u>	<u>123,343</u>	<u>537,636</u>

9. FIXED ASSET INVESTMENTS	Shares in group undertakings £
COST	
At 1 January 2021 and 30 June 2022	<u>1,682,877</u>
NET BOOK VALUE	
At 30 June 2022	<u>1,682,877</u>
At 31 December 2020	<u>1,682,877</u>

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

Fluorocarbon Polymers SRL

Registered office: Strada Dunarii, Nr 277, Block C10, 140103 Alexandria, Romania

Nature of business: Manufacture of polymer products

Class of shares:	%
Ordinary	holding 100.00

10. STOCKS	2022 £	2020 £
Raw materials	243,455	-
Work-in-progress	140,134	-
Finished goods	230,047	-
	<u>613,636</u>	<u>-</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022 £	2020 £
Trade debtors	783,454	-
Amounts owed by group undertakings	1,687,641	1,269,054
VAT	885	-
Prepayments and accrued income	38,989	59,220
	<u>2,510,969</u>	<u>1,328,274</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 30 JUNE 2022

16. RESERVES

	Retained earnings £
At 1 January 2021	1,431,476
Profit for the period	61,876
At 30 June 2022	<u>1,493,352</u>

Retained earnings includes all current and prior period profits and losses.

17. ULTIMATE PARENT COMPANY

Fluorocarbon Group Limited is the ultimate parent company.

The largest and smallest group in which the results of the company are consolidated is that headed by Fluorocarbon Group Limited. The consolidated accounts are available to the public and may be obtained from the Registrar of Companies. The registered office of Fluorocarbon Group Limited is Fluorocarbon House, Caxton Hill, Hertford, Hertfordshire, SG13 7NH.

18. CONTINGENT LIABILITIES

The company has a cross guarantee with its fellow subsidiary, Fluorocarbon Surface Technologies Ltd, in favour of Growth Lending 2020 Limited to guarantee its loan. The total indebtedness at the balance sheet date was £4,157,217.

19. RELATED PARTY DISCLOSURES

During the year transactions occurred between Fluorocarbon Limited and other group companies. The transactions during the period (year) and the balances at the year end were as follows:

	2022 £	2020 £
Sales to group companies	1,688,210	163,027
Purchases from group companies	1,129,948	-
Amount owed from Fluorocarbon Polymers SRL	1,687,641	897,588
Amount owed from Fluorocarbon Company Limited	-	92,062
Amount owed to Fluorocarbon Surface Technologies Ltd	(1,418,551)	247,239
Amount owed to Fluorocarbon Group Limited	<u>(1,785,323)</u>	<u>(1,493,506)</u>

Mr F J Wells, a director of the company is also a director of, and shareholder in, Cent Serve Limited.

Mr M J Roudsari, a director of the company is also a director of, and shareholder in, Susa International Ltd.

During the year the following costs were incurred by Fluorocarbon Limited.

	2022 £	2020 £
Interim support (Cent Serve)	33,000	109,025
Business Development & Marketing Costs (Susa International)	<u>118,506</u>	<u>5,114</u>

No amounts were outstanding at the period end (31 December 2020: £Nil).

20. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr T J Wells by virtue of his controlling interest in the ultimate parent company.

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