

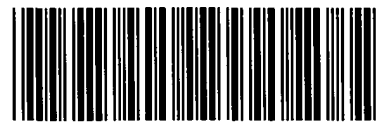
# Missiles & Space Batteries Limited

Registered number: SC162626

## Annual Report

For the year ended 31 December 2022

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**MISSILES & SPACE BATTERIES LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	B De La Noue A Greig M Hainaut
<b>Company secretary</b>	A Greig
<b>Registered number</b>	SC162626
<b>Registered office</b>	Hagmill Road East Shawhead Coatbridge Lanarkshire Scotland ML5 4UZ
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor 100 Queen Street Glasgow G1 3DN
<b>Bankers</b>	Barclays Bank plc 30 St Werburgh Street Chester CH1 2DY

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**MISSILES & SPACE BATTERIES LIMITED**

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## MISSILES & SPACE BATTERIES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Introduction

The principal activity of the Company is the research, design and manufacture of thermal batteries for defence and aerospace applications. There have been no changes in the company's principal activities in the year under review and no changes in the Company's activities are expected in the next year.

#### Business review

2022 was a difficult year for the Company due to the delay in receiving some key orders. We had responded to the expected reduction in activity with a redundancy plan in October 2021. Important orders were received during 2022 and the recovery in sales and production activity has now begun.

Due to this reduction in activity in the first half of the year, Sales in 2022 decreased by 12% to £10.4m and the Net Profit also decreased, from 15% in 2021 to 9% in 2022.

The Company received £24.6m of orders in 2022 and has a strong order book of £30.2m at the end of the year. We expect a significant increase in sales and activity in 2023, and a return to the profitability levels achieved in previous years.

#### Financial key performance indicators

The Company's key performance indicators are Sales, Operating Profit and Cash Flow.

As shown in the Company's Statement of Comprehensive Income on page 10, sales were £10.4m, around £1.5m less than in 2021. We have a strong order book at the end of 2022 and have budgeted for sales of £16.2 million in 2023.

Gross Profit was lower than last year, due to the low level of activity in the first half of the year and the impact of inflation on our operating costs. Administrative expenses also increased compared with 2021, also due to the impact of inflation. Consequently, due to lower sales and margins, and increased fixed costs, Operating Profit decreased from £2.3m (19%) in 2021 to £1.3m (12%) this year.

The Statement of Financial Position on page 11 shows that the Company's financial position at the year end, in net assets terms, has decreased from £6.4m to £5.8m. The statement of Cash Flows on page 13 indicates that cash flow from operating activities decreased from £2.4m last year to £1.9m in 2022. This cash generation was used to fund a significant investment in the site and on equipment to increase production capacity. Total capital expenditure in 2022 was £3.9m (2021 - £0.7m). A dividend of £1.5m to our Parent company was declared and will be paid in 2023.

Details of all amounts due to and from the Company's parent company and other related parties are shown in note 31 on page 32.

The Company manages its sole operation in a single geographical region. For this reason, the Company's Directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

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**MISSILES & SPACE BATTERIES LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Principal risks and uncertainties**

Competitive pressure in all of the markets in which the Company does business is a continuing risk for the Company, which could result in losing contracts to key competitors. The Company manages this risk by providing good quality products, designed to customer specifications at competitive prices.

The majority of the company's sales are invoiced in Pounds Sterling, thereby reducing exposure to movements in exchange rates. Where important contracts are expressed in other currencies, appropriate currency risk monitoring procedures are in place.

At the end of 2022 we have significant exposure in Euros owed to our Parent Company, ASB. We have received loans from ASB to fund the site purchase and improvements, and we have leased two major pieces of equipment from ASB. The total liability at 31 December 2022 is around five million Euros. We review this exposure on a regular basis and will take action to reduce our exposure if and when we feel it is necessary.

The Explosives Licence for the factory is regularly revised to take account of changes in the factory and site layout. A further extensive update of the explosives licence will be required in 2023 following the completion of improvements to the site.

The Company imports from and exports to various countries in the European Union (EU), and is therefore affected by the United Kingdom's exit from the EU. There remains a risk that exit from the EU could adversely affect the cost and delivery of critical materials and components in 2023 and beyond.

The continuing conflict between Russia and Ukraine has impacted international supply chains and energy costs. This has increased our operating costs and affected our profitability in 2022 and will continue to do so in 2023.

The Directors are not aware of any other significant events since the Balance Sheet date which would have a material impact on these financial statements.

This report was approved by the board and signed on its behalf.

Alistair Greig  
Alistair Greig (Dec 20, 2023 15:36 GMT)

.....  
**A Greig**  
Director

Date: Dec 20, 2023

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## MISSILES & SPACE BATTERIES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The Directors present their report and the financial statements for the year ended 31 December 2022.

#### Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 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 to 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.

#### Results and dividends

The profit for the year, after taxation, amounted to £928,670 (2021 - £1,786,744).

Particulars of dividends paid are detailed in note 12 to the financial statements.

#### Directors

The Directors who served during the year were:

B De La Noue  
A Greig  
M Hainaut  
S Williams (resigned 23 July 2023)

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## MISSILES & SPACE BATTERIES LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Future developments

There are no plans for any significant changes to the nature of the business in the near future.

Following the purchase of the site in 2020, we are undertaking significant improvements to the factory to improve the layout, efficiency and appearance of the site. These improvements commenced in 2021 and continued into 2022 with a significant project to expand and upgrade the operational areas of the site.

We are expecting significant growth in the business over the next three to five years and we are therefore planning further improvements to the site in order to increase our production capacity.

The Directors expect an improvement in profitability in 2023 due to the growth in business. Sales are expected to increase to £16.2m and a net profit after tax of 17% is budgeted.

The Company has a strong order book and order pipeline. We will continue to improve production planning, efficiency and quality and will invest in the people and equipment necessary to achieve our sales targets and to maintain the high level of quality expected by our customers.

#### Economic impact of global events

UK businesses are currently facing many uncertainties such as the consequences of Brexit, COVID-19, environmental sustainability and geopolitical events such as the Russian invasion of Ukraine. These uncertainties have contributed to an environment where there exists a range of issues and risks, including inflation, rising interest rates, labour shortages, disrupted supply chains and new ways of working.

The Directors have carried out an assessment of the potential impact of these uncertainties on the business, including the impact of mitigation measures, and have concluded that these are non-adjusting events with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

The Company continues to work with its partners to minimise any impacts of these events and maximise the realisation of any opportunities they may provide to the business.

#### Matters covered in the Strategic Report

As permitted by Paragraph 1A of schedule 7 to the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 1 and 2. These matters include a fair review of the Company's business and a description of the Company's principal risks and uncertainties.

#### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Directors have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

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**MISSILES & SPACE BATTERIES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

*Alistair Greig*  
Alistair Greig (Dec 20, 2023 15:36 GMT)

**A Greig**  
Director

Date: Dec 20, 2023

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**MISSILES & SPACE BATTERIES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MISSILES & SPACE BATTERIES LIMITED**

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**Opinion**

We have audited the financial statements of Missiles & Space Batteries Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cashflows 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 FRS 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 31 December 2022 and of its 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 Auditor's 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.

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**MISSILES & SPACE BATTERIES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MISSILES & SPACE BATTERIES LIMITED**

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**Other information**

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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.

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 course of 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In 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 Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 is 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 intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MISSILES & SPACE BATTERIES LIMITED**

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**Auditor's 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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**MISSILES & SPACE BATTERIES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MISSILES & SPACE BATTERIES LIMITED**

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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 auditor's report.

**Use of the audit 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 an auditor's report 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.

*Craig Maxwell*  
Craig Maxwell (Dec 20, 2023 16:52 GMT)

Craig Maxwell (Senior statutory auditor)

for and on behalf of

Mazars LLP  
Chartered Accountants and Statutory Auditor  
100 Queen Street  
Glasgow  
G1 3DN

Date: Dec 20, 2023

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**MISSILES & SPACE BATTERIES LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Note	2022 £	2021 £
Turnover	4	10,414,413	11,870,504
Cost of sales		(7,836,826)	(8,658,011)
<b>Gross profit</b>		<u>2,577,587</u>	<u>3,212,493</u>
Distribution costs		(60,979)	(24,811)
Administrative expenses		(1,284,086)	(953,378)
Other operating income	5	27,850	35,585
<b>Operating profit</b>	6	<u>1,260,372</u>	<u>2,269,889</u>
Interest payable and expenses	10	(100,543)	(22,960)
<b>Profit before tax</b>		<u>1,159,829</u>	<u>2,246,929</u>
Tax on profit	11	(231,159)	(460,185)
<b>Profit for the financial year</b>		<u><u>928,670</u></u>	<u><u>1,786,744</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 15 to 32 form part of these financial statements.

**MISSILES & SPACE BATTERIES LIMITED**  
**REGISTERED NUMBER: SC162626**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible fixed assets	13	22,681	10,419
Tangible fixed assets	14	6,106,922	2,780,433
Investment property	15	97,035	97,035
		<u>6,226,638</u>	<u>2,887,887</u>
<b>Current assets</b>			
Stocks	16	3,715,723	2,406,634
Debtors: amounts falling due within one year	17	3,234,886	3,636,707
Cash and cash equivalents	18	231	429
		<u>6,950,840</u>	<u>6,043,770</u>
Creditors: amounts falling due within one year	19	(4,974,664)	(1,400,992)
<b>Net current assets</b>		<u>1,976,176</u>	<u>4,642,778</u>
<b>Total assets less current liabilities</b>		<u>8,202,814</u>	<u>7,530,665</u>
Creditors: amounts falling due after more than one year	20	(2,131,223)	(949,438)
<b>Provisions for liabilities</b>			
Deferred tax	23	(229,380)	(154,712)
Other provisions	24	(63,026)	(76,000)
		<u>(292,406)</u>	<u>(230,712)</u>
<b>Net assets</b>		<u><u>5,779,185</u></u>	<u><u>6,350,515</u></u>
<b>Capital and reserves</b>			
Called up share capital	25	350,000	350,000
Profit and loss account	26	5,429,185	6,000,515
		<u>5,779,185</u>	<u>6,350,515</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Michel Hainaut  
 Michel Hainaut (Dec 20, 2023 16:30 GMT+1)  
 .....  
**M Hainaut**  
 Director

Date: Dec 20, 2023

The notes on pages 15 to 32 form part of these financial statements.

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**MISSILES & SPACE BATTERIES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	350,000	5,713,771	6,063,771
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,786,744	1,786,744
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners</b>			
Dividends paid	-	(1,500,000)	(1,500,000)
	<hr/>	<hr/>	<hr/>
<b>Total transactions with owners</b>	-	(1,500,000)	(1,500,000)
	<hr/>	<hr/>	<hr/>
<b>At 1 January 2022</b>	350,000	6,000,515	6,350,515
<b>Comprehensive income for the year</b>			
Profit for the year	-	928,670	928,670
<b>Transactions with owners</b>			
Dividends payable	-	(1,500,000)	(1,500,000)
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2022</b>	<u>350,000</u>	<u>5,429,185</u>	<u>5,779,185</u>

The notes on pages 15 to 32 form part of these financial statements.

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**MISSILES & SPACE BATTERIES LIMITED**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	928,670	1,786,744
<b>Adjustments for:</b>		
Amortisation of intangible fixed assets	10,671	8,681
Depreciation of tangible fixed assets	547,782	543,477
Interest paid	100,543	22,960
Taxation charge	231,159	460,185
(Increase)/decrease in stocks	(1,309,089)	178,501
(Increase)/decrease in debtors	(419,068)	659,950
Decrease/(increase) in amounts owed by groups	855,269	(251,885)
Increase/(decrease) in creditors	380,234	(433,531)
Increase/(decrease) in amounts owed to groups	908,193	(5,966)
(Decrease)/increase in provisions	(12,974)	3,000
Corporation tax paid	(336,374)	(524,874)
<b>Net cash generated from operating activities</b>	<u>1,885,016</u>	<u>2,447,242</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(22,933)	-
Purchase of tangible fixed assets	(3,874,271)	(654,963)
Sale of tangible fixed assets	-	8,623
<b>Net cash used in investing activities</b>	<u>(3,897,204)</u>	<u>(646,340)</u>
<b>Cash flows from financing activities</b>		
New finance leases	1,495,554	-
Increase/(decrease) in loans from group companies	616,979	(278,297)
Dividends paid	-	(1,500,000)
Interest paid	(100,543)	(22,960)
<b>Net cash generated from/(used in) financing activities</b>	<u>2,011,990</u>	<u>(1,801,257)</u>
<b>Net decrease in cash and cash equivalents</b>	(198)	(355)
Cash and cash equivalents at beginning of year	429	784
<b>Cash and cash equivalents at the end of year</b>	<u>231</u>	<u>429</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>231</u>	<u>429</u>

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**MISSILES & SPACE BATTERIES LIMITED**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**(i) Analysis of net debt**

	<b>At 1 January 2022 £</b>	<b>Cash flows £</b>	<b>New finance leases £</b>	<b>At 31 December 2022 £</b>
Cash at bank and in hand	429	(198)	-	231
Debt due after 1 year	(949,438)	112,463	-	(836,975)
Debt due within 1 year	(212,408)	(729,442)	-	(941,850)
Finance leases	-	-	(1,495,554)	(1,495,554)
	<u>(1,161,417)</u>	<u>(617,177)</u>	<u>(1,495,554)</u>	<u>(3,274,148)</u>

The notes on pages 15 to 32 form part of these financial statements.

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## MISSILES & SPACE BATTERIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. General information

Missiles and Space Batteries Limited (the "Company") is a private company limited by shares, and domiciled and registered in Scotland. The Company's registered number is SC162626. The registered address is East Shawhead, Coatbridge, Scotland, ML5 4UZ.

The principal activity of the Company is the research, design and manufacture of thermal batteries for defence and aerospace applications.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical costs convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in Pounds Sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Going concern

The Company has reported a profit of £928,670 (2021 - £1,786,744) and net current assets of £1,976,176 (2021 - £4,642,778) at the reporting date. The Board consider that the Company continues to be a going concern and accordingly these financial statements are prepared on the going concern basis.

The Directors have robust processes in place to monitor and assess financial performance of the Company. The Directors have prepared financial projections for a period of 12 months from the date of signing the financial statements. The financial projections indicate that the Company will be able to discharge its liabilities as they fall due for a period of no less than 12 months from approval of these financial statements.

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## MISSILES & SPACE BATTERIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Accounting policies (continued)

##### 2.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

##### 2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

###### Sale of goods

Turnover from the sale of thermal batteries for defence and aerospace applications is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.5 Research and development

Research expenditure is written off to the Statement of Comprehensive Income in the year which it is incurred. Development expenditure is written off in the same way unless the Directors are satisfied to the technical, commercial and financial viability of individual projects. In this situation the expenditure is deferred and amortised over the period during which the Company is expected to benefit.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)****2.6 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.7 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.8 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Intangible fixed assets

Intangible fixed assets are initially recognised at cost. After recognition, under the cost model, intangible fixed assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible fixed assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following basis:

Technology improvements - over 5 years

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)****2.11 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Heritable property	- over 25 years
Plant, machinery and equipment	- over 24 to 80 months

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.12 Investment property**

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

**2.13 Stocks**

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

**2.14 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

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## MISSILES & SPACE BATTERIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Accounting policies (continued)

##### 2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

##### 2.18 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.

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised 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.

The following areas of judgement and estimation had the most significant effect on amounts recognised in the financial statements: fair value of investment property and stock provision.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Production	9,132,693	10,554,556
Development	1,281,720	1,315,948
	<u>10,414,413</u>	<u>11,870,504</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	5,887,075	6,508,634
Rest of the world	4,527,338	5,361,870
	<u>10,414,413</u>	<u>11,870,504</u>

**5. Other operating income**

	2022 £	2021 £
R&D tax credit	-	8,161
Rental income	27,850	27,424
	<u>27,850</u>	<u>35,585</u>

**6. Operating profit**

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

	2022 £	2021 £
Depreciation of tangible fixed assets	547,782	543,477
Amortisation of intangible fixed assets	10,671	8,681
Exchange differences	104,131	(101,837)
	<u>662,584</u>	<u>450,321</u>

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**7. Auditors' remuneration**

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	25,000	22,300
Preparation of statutory financial statements	2,500	2,150
Taxation services	4,500	3,500
Other services	-	500
	<u>7,000</u>	<u>6,150</u>

**8. Employees**

Staff costs, including Directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	2,986,528	3,273,123
Social security costs	319,849	313,512
Defined contribution pension costs	375,852	379,215
	<u>3,682,229</u>	<u>3,965,850</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
Manufacturing, research and development	74	94
Administration	17	15
	<u>91</u>	<u>109</u>

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**9. Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	127,508	124,272
Company contributions to defined contribution pension schemes	21,677	21,191
	<u>149,185</u>	<u>145,463</u>

During the year retirement benefits were accruing to 1 Director (2021 - 1) in respect of defined contribution pension schemes.

**10. Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Loan interest payable	100,543	22,960
	<u>100,543</u>	<u>22,960</u>

**11. Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	168,782	411,262
Adjustments in respect of previous periods	(12,291)	(2,454)
<b>Total current tax</b>	<u>156,491</u>	<u>408,808</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	59,493	18,745
Effect of tax rate change on opening balance	-	32,632
Adjustments in respect of prior periods	15,175	-
<b>Total deferred tax</b>	<u>74,668</u>	<u>51,377</u>
<b>Taxation on profit on ordinary activities</b>	<u>231,159</u>	<u>460,185</u>

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**11. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	1,159,829	2,246,929
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	220,368	426,917
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	(12,291)	(2,454)
Adjustments to tax charge in respect of prior periods - deferred tax	15,175	-
Additional deduction for land remediation expenditure	(522)	-
Expenses not deductible for tax purposes	57	80
R&D expenditure credits	-	(2,338)
Remeasurement of deferred tax for changes in tax rates	14,278	37,131
Fixed asset differences	(5,906)	849
<b>Total tax charge for the year</b>	<b>231,159</b>	<b>460,185</b>

**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

**12. Dividends**

	2022 £	2021 £
Dividends paid and payable on equity capital	1,500,000	1,500,000

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**13. Intangible fixed assets**

	<b>Technology improvements £</b>
<b>Cost</b>	
At 1 January 2022	75,672
Additions	22,933
At 31 December 2022	<u>98,605</u>
<b>Amortisation</b>	
At 1 January 2022	65,253
Charge for the year	10,671
At 31 December 2022	<u>75,924</u>
<b>Net book value</b>	
At 31 December 2022	<u>22,681</u>
At 31 December 2021	<u>10,419</u>

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**14. Tangible fixed assets**

	Heritable property £	Plant, machinery and equipment £	Assets under construction £	Total £
<b>Cost</b>				
At 1 January 2022	2,200,066	7,081,837	44,655	9,326,558
Additions	1,968,569	1,905,702	-	3,874,271
Disposals	(1,948)	(188,883)	-	(190,831)
Transfers between classes	44,655	-	(44,655)	-
At 31 December 2022	<u>4,211,342</u>	<u>8,798,656</u>	<u>-</u>	<u>13,009,998</u>
<b>Depreciation</b>				
At 1 January 2022	504,601	6,041,524	-	6,546,125
Charge for the year	155,861	391,921	-	547,782
Disposals	(1,948)	(188,883)	-	(190,831)
At 31 December 2022	<u>658,514</u>	<u>6,244,562</u>	<u>-</u>	<u>6,903,076</u>
<b>Net book value</b>				
At 31 December 2022	<u>3,552,828</u>	<u>2,554,094</u>	<u>-</u>	<u>6,106,922</u>
At 31 December 2021	<u>1,695,465</u>	<u>1,040,313</u>	<u>44,655</u>	<u>2,780,433</u>

**15. Investment property**

	Investment property £
<b>Valuation</b>	
At 1 January 2022	97,035
At 31 December 2022	<u>97,035</u>

The 2022 valuation was made by the Directors in line with the accounting policy.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**16. Stocks**

	2022 £	2021 £
Raw materials and consumables	2,777,995	1,629,361
Work in progress	526,368	536,776
Finished goods and goods for resale	411,360	240,497
	<u>3,715,723</u>	<u>2,406,634</u>

**17. Debtors**

	2022 £	2021 £
Trade debtors	2,116,295	1,535,632
Amounts owed by group undertakings (note 31)	834,284	1,689,553
Other debtors	210,843	255,923
Prepayments and accrued income	73,464	155,599
	<u>3,234,886</u>	<u>3,636,707</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**18. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	231	429

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**19. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Payments received on account	10,778	111,527
Trade creditors	835,629	373,994
Amounts owed to group undertakings (note 31)	3,494,389	356,754
Corporation tax	-	145,503
Other taxation and social security	92,723	206,167
Obligations under finance lease and hire purchase contracts (note 21)	201,306	-
Other creditors	52,306	53,814
Accruals and deferred income	287,533	153,233
	<u>4,974,664</u>	<u>1,400,992</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

In 2022, the Company received a further loan from Aerospatiale Batteries SA, the parent company. The loan was for the purpose of site improvements and had a value of 1,000,000EUR. The loan is repayable in monthly instalments over 12 months.

**20. Creditors: Amounts falling due after more than one year**

	2022 £	2021 £
Obligations under finance leases and hire purchase contracts (note 21)	1,294,248	-
Amounts owed to group undertakings (note 31)	836,975	949,438
	<u>2,131,223</u>	<u>949,438</u>

In 2020, the Company received a loan from Aerospatiale Batteries SA, the parent company. The loan had an initial value of £886,761 for the purpose of purchasing the site and building in Coatbridge and had a value of £1,542,546. The loan is repayable in quarterly instalments over a period of 7 years.

Interest is charged at a rate of 2.8% on the outstanding balance over the term of the loan.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**21. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	201,306	-
Between 1-5 years	1,095,480	-
Over 5 years	198,768	-
	<u>1,495,554</u>	<u>-</u>

In 2022, the Company leased equipment from Aerospatiale Batteries SA, the parent company. The net book value of the equipment as at 31 December 2022 is £1,584,406 (2021 - £Nil).

**22. Financial instruments**

	2022 £	2021 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	231	429
Financial assets that are debt instruments measured at amortised cost	<u>3,161,422</u>	<u>3,636,707</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(7,105,887)</u>	<u>(2,350,430)</u>

Financial assets measured at fair value through profit and loss comprise cash balances.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, accruals and other creditors.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**23. Deferred taxation provision**

	2022 £	2021 £
At beginning of year	(154,712)	(103,335)
Charged to the Statement of Comprehensive Income	(74,668)	(51,377)
<b>At end of year</b>	<b>(229,380)</b>	<b>(154,712)</b>

The provision for deferred taxation, which is based on a tax rate of 25% (2021 - 25%) is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	(279,124)	(154,712)
Short term timing differences	49,744	-
	<b>(229,380)</b>	<b>(154,712)</b>

**24. Provisions**

	Provisions £
At 1 January 2022	76,000
Credited to the Statement of Comprehensive Income	(12,974)
<b>At 31 December 2022</b>	<b>63,026</b>

**25. Share capital**

	2022 £	2021 £
<b>Authorised</b>		
450,000 (2021 - 450,000) Ordinary shares of £1.00 each	450,000	450,000
<b>Allotted, called up and fully paid</b>		
350,000 (2021 - 350,000) Ordinary shares of £1.00 each	350,000	350,000

The Company has one class of ordinary shares which carry voting rights but no right to fixed income.

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. Reserves****Profit & loss account**

The profit & loss account includes all current and prior periods retained profits and losses. Profit for the financial year was £928,670 (2021 - £1,786,744). All reserves are considered distributable.

**27. ESOP shares**

In 2022, 14 MSB employees (2021 - 28) participated in an Employee Share Ownership Plan offered and administered by Airbus Group, a 50% shareholder of the MSB Parent Company, ASB Aerospaciale Batteries S.A.

**28. Capital commitments**

At 31 December 2022 the Company had capital commitments as follows:

	2022 £	2021 £
Contracted for but not provided in these financial statements	188,927	317,194

**29. Pension commitments**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £375,852 (2021 - £379,215). Contributions totalling £36,367 (2021 - £32,375) were payable to the fund at the Statement of Financial Position date.

**30. Commitments under operating leases**

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
<b>Other operating leases</b>		
Not later than 1 year	9,593	6,048
Later than 1 year and not later than 5 years	16,244	11,656
	<u>25,837</u>	<u>17,704</u>

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**MISSILES & SPACE BATTERIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**31. Related party transactions**

The Company had transactions with four related parties during the year, being the parent company Aerospatiale Batteries SA ('ASB'), Advanced Thermal Batteries Incorporated, a 100% owned subsidiary of ASB, SAFT SA, a 50% owner of ASB, and Airbus, the other 50% owner of ASB. Details of transactions and balances due from and to these companies at year end are as follows.

**Aerospatiale Batteries SA.**

Sales of £1,030,151 (2021 - £1,633,673), purchases of £2,142,031 (2021 - £1,373,864), balance due from £163,831 (2021 - £174,397), balance due to £5,507,601 (2021 - £1,299,616).

**Advanced Thermal Batteries Incorporated**

Sales of £400,808 (2021 - £638,926), purchases of £708 (2021 - £12,390), balance due from £57,632 (2021 - £17,622), balance due to £Nil (2021 - £Nil).

**SAFT SA.**

Purchases of £Nil (2021 - £6,570), balance due to £Nil (2021 - £6,575).

**Airbus**

Balance due to £319,317 (2021 - £Nil), balance due from £613,673 (2021 - £1,497,535).

**32. Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**33. Controlling party**

In the opinion of the Directors, the Company's ultimate parent undertaking and controlling party is Aerospatiale Batteries SA, a company incorporated in France. Its financial statements are available from Allée Sainte Hélène, Bourges, CEDEX 18021, France.