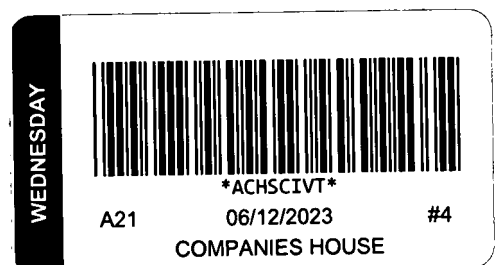


**Inflite Engineering Services
Limited**

(Registered number 02171334)

**Annual Report
and financial statement**

31 March 2023



Inflite Engineering Services Limited

Annual report and financial statements

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Inflite Engineering Services Limited

Strategic report

The directors present their strategic report for the year ended 31 March 2023.

Principal Activities

The principal activity of the company has been that of precision engineering, design, machining, fabrication and surface treatment services.

Business review

The results for the year are set out on page 7 of the financial statements. Turnover reduced by 1% to £12,944,174 resulting in an operating loss of £2,345,979. As at 31 March 2023 net assets have decreased to £8,980,065 (2022: £10,829,749) with no dividends paid in the fiscal year (2022: £Nil). The directors and management undertook and continue to undertake mitigating actions to address the impact of the Coronavirus (Covid-19) pandemic, domestic economic conditions and the war in Ukraine and their impact on the company. This is coupled with the continued increase in international trade protectionist policies. The directors expect improved trading conditions in the civil aviation manufacturing business over the next one to two years. All necessary measures have been and are being undertaken to ensure future profitability.

The directors continue to invest in high end manufacturing capabilities and consider the company to be relatively well placed to win and execute engineering business in the aviation sector. In the opinion of the directors the uncomplicated nature of the company's business does not warrant an analysis of KPIs to fully understand the company's development, performance or position.

Principal risks and uncertainties

The company seeks to broaden its customer base and capabilities to limit its exposure to changes in demand. The principal challenge is to remain competitive in a global marketplace with continual increases in raw material and utility costs. The directors have maintained a policy of capital investment, to continually improve productivity and to manage its commercial pricing to ensure minimal exposure, whilst remaining competitive. The company does not have significant exposure to exchange fluctuations, as the majority of its contracts pass such risk to its customers. The company retains a positive net cash position, with no debt, loans and immaterial asset finance which therefore has minimal exposure to fluctuations in interest rates which remain at historically low levels.

Post balance sheet events

There are no post balance sheet events at the date these accounts are authorised for issue.

By order of the board

L V ELLIS

L V Ellis

Company Secretary

Date 29 November 2023

Inflite House
Stansted Airport
Stansted
Essex
CM24 1RY

Inflite Engineering Services Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2023.

Dividend

No ordinary dividends were paid during the year (2022: £Nil). The directors do not recommend payment of any further dividend.

Fixed assets

The movements in fixed assets are disclosed in note 10 to the financial statements.

Directors

The directors who held office during the year and up to date of signature of the financial statements were:

P A Stephens
P M Monksfield
W C Stephens

Director's confirmation

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditors

Barnes Roffe LLP are appointed as auditors of the company with effect from the year ending on 31 March 2023.

By order of the board

L V ELLIS

L V Ellis
Company Secretary

Date 29 November 2023

Inflite House
Stansted Airport
Stansted
Essex
CM24 1RY

Inflite Engineering Services Limited

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK Accounting standards and applicable law). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records which 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.

Inflite Engineering Services Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFLITE ENGINEERING SERVICES LIMITED

Opinion

We have audited the financial statements of Inflite Engineering Services Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council'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 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.

Opinion 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.

Inflite Engineering Services Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group 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.

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 either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Company through discussions with directors, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, are as follows - Companies Act 2006, FRS 102, Employment legislation and Tax legislation.
- We assessed the extent of the compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Laws and regulations were communicated within the audit team at the planning meeting, and the audit team remained alert to instances of non-compliance throughout the audit.

Inflite Engineering Services Limited

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditor's report.

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 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.

Gary Leonard

Gary Leonard (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants
Statutory Auditor
Leytonstone House
Leytonstone
London
E11 1GA

Date: 01 December 2023

Inflite Engineering Services Limited

Profit & loss account

for the year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	2	12,944,174	13,040,467
Cost of sales		(8,356,315)	(8,129,245)
Gross profit		4,587,859	4,911,222
Administrative and operating costs		(6,933,838)	(6,864,080)
Grant Income	3	-	42,142
Operating loss	4-6	(2,345,979)	(1,910,716)
Interest receivable and similar income	7	-	-
Interest payable and similar charges	8	-	-
Loss on ordinary activities before taxation		(2,345,979)	(1,910,716)
Taxation on loss on ordinary activities	9	496,295	163,832
Total comprehensive loss for the financial year		(1,849,684)	(1,746,884)

The notes on pages 11 to 19 form part of these financial statements.

Inflite Engineering Services Limited

Balance sheet as at 31 March 2023

(Registered No. 02171334)

	Note	2023 £	2023 £	2022 £	2022 £
ASSETS					
Fixed assets					
Tangible assets	10		3,541,446		4,336,392
			3,541,446		4,336,392
Current assets					
Stocks	11	4,440,346		3,869,165	
Debtors	12	3,891,118		3,137,308	
Cash at bank and in hand		2,066,768		3,347,215	
			10,398,232		10,353,688
			13,939,678		14,690,080
LIABILITIES					
Capital and reserves					
Called up share capital	16		100		100
Profit and loss account			8,979,965		10,829,649
Shareholders' funds			8,980,065		10,829,749
Provision for liabilities and charges	17		2,156,712		2,543,025
Creditors: amounts falling due within one year	13		2,802,901		1,317,306
			13,939,678		14,690,080

The financial statements on pages 7 to 19 were approved by the Board of Directors and authorised for issue on 28 November 2023 and were signed on its behalf by:

P-A. STEPHENS

P A Stephens
Director

The notes on pages 11 to 19 form part of these financial statements.

Inflite Engineering Services Limited

Statement of changes in equity for the year ended 31 March 2023

	Share Capital	Profit and loss account	Total
	£	£	£
Balance at 1 April 2021	100	12,576,533	12,576,633
Year ended 31 March 2022			
Total comprehensive loss	-	(1,746,884)	(1,746,884)
Dividends	-	-	-
Balance at 31 March 2022	100	10,829,649	10,829,749
Year ended 31 March 2023			
Total comprehensive loss	-	(1,849,684)	(1,849,684)
Dividends	-	-	-
Balance at 31 March 2023	100	8,979,965	8,980,065

The notes on pages 11 to 19 form part of these financial statements.

Inflite Engineering Services Limited

Statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	2022 £
Net cash (absorbed)/generated from operating activities	18	(1,442,134)	7,149
Interest paid		-	-
Corporation tax received		245,764	28,836
Net cash (outflow)/inflow from operating activities		(1,196,370)	35,985
Investing activities			
Purchase of tangible fixed assets		(268,847)	(226,421)
Sale of tangible fixed assets		184,770	251,043
Interest received		-	-
Dividends paid		-	-
Net cash used in investing activities		(84,077)	24,622
Net (decrease)/increase in cash and cash equivalents		(1,280,447)	60,607
Cash and cash equivalents at beginning of the year		3,347,215	3,286,608
Cash and cash equivalents at end of the year		2,066,768	3,347,215
Relating to:			
Cash at bank and in hand		2,066,768	3,347,215

The notes on pages 11 to 19 form part of these financial statements.

Inflite Engineering Services Limited

Notes

(forming part of the financial statements)

1 Accounting policies

Company information

Inflite Engineering Services Limited ("the company") is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Inflite House, Stansted Airport, Stansted, Essex, CM24 1RY.

The following accounting policies set out below have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain assets. The financial statements for the year ended 31 March 2023 have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and the requirements of the Companies Act 2006. The financial statements are prepared in £ Sterling, being the functional currency of the company, and amounts shown are rounded to the nearest pound.

Going concern

The directors have prepared forecast information which considers the domestic economic conditions and the war in Ukraine and their potential impact on the company. The forecasts consider a period of at least 12 months from the date of approval of these financial statements and indicate that the company has appropriate headroom in its available working capital. The directors therefore have a reasonable expectation that the company possesses adequate resources going forward and have continued to adopt a going concern basis in preparing the financial statements.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives at the following annual rates:

Plant and machinery	6.67 - 10%	} straight line
Fixtures, fittings, tools and equipment	20 - 33%	
Motor vehicles	33%	

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised immediately in the income statement.

The gain or loss arising on the disposal of an asset is determined as the difference between the net sale proceeds and the carrying value of the asset and is recognised in the income statement.

Stocks

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Work in progress is valued at cost of materials plus direct labour and attributable overheads, less provisions for foreseeable losses.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Inflite Engineering Services Limited

Notes (continued)

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered and is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date and on a non-discounted basis.

The company is a member of a group and full payment at the effective rate is generally made or received in respect of tax losses transferred between group companies. Current and deferred tax are charged or credited in the income statement.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value.

Leases

When assets are acquired under hire purchase agreements, which give rights approximating to ownership, the amount representing the outright purchase price of such assets is included in tangible fixed assets. The capital element of future payments is treated as a liability and the interest element is charged to the profit and loss account as it accrues. Operating lease rentals are charged to the income statement as incurred.

Foreign exchange

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Foreign currency assets and liabilities held at the year end are translated at year end exchange rates or the exchange rate of a related forward exchange contract where appropriate. The resulting exchange gain or loss is dealt with in the income statement.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Inflite Engineering Services Limited

Notes (continued)

1 Accounting policies (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

The company operates a defined contribution retirement benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents the total amount receivable in the ordinary course of business for sales of goods and services, net of discounts and excluding value added tax. The company's activities relate to the aerospace industry, which by its nature is international. Turnover associated with sales of goods was £12,944,174 (2022: £13,040,467).

3 Grant income

The company received no grants in relation to the Coronavirus Job Retention Scheme (CJRS) (2022: £42,142).

The company did not directly or indirectly benefit from any other forms of government assistance.

4 Operating loss on ordinary activities before taxation

	2023 £	2022 £
<i>Operating loss is stated after charging/(crediting)</i>		
(Profit)/loss on sale of fixed assets	(610)	30,713
Depreciation	879,634	895,322
Land and buildings – operating leases	1,422,722	1,422,722
Directors' emoluments (see note 5)	98,780	105,511
Stocks recognised as an expense	1,783,993	1,971,771
Foreign exchange gains	(385,376)	(63,954)

The auditors' remuneration and expenses are borne by the group management company, which paid £9,000 (2022: £7,349) on behalf of the company. The company has taken advantage of the exemption not to disclose details of non-audit remuneration on the basis that this information is included within the consolidated financial statements of Swan Investments Group Holdings Limited.

Inflite Engineering Services Limited

Notes (continued)

5 Emoluments of directors

The emoluments, excluding pension contributions, of the highest paid director were £92,180 (2022: £96,685).

6 Staff numbers and costs

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

	Number of employees	
	2023	2022
Administration	48	47
Other	162	129
	210	176

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£	£
Wages and salaries	6,620,163	5,916,547
Social security costs	663,752	602,687
Other pension costs (see note 15)	442,490	144,362
	7,726,405	6,663,596

7 Interest receivable and similar income

	2023	2022
	£	£
Other interest	-	-
	-	-

8 Interest payable and similar charges

	2023	2022
	£	£
On bank loans and overdrafts	-	-
	-	-

Inflite Engineering Services Limited

Notes (continued)

9 Taxation

	2023 £	2022 £
Current taxation		
Corporation tax at an effective rate of 19% (2022: 19%)	(363,385)	(279,238)
Under/(Over) provision in prior periods	-	-
Deferred taxation (see note 17)	(132,910)	115,406
	<u>(496,295)</u>	<u>(163,832)</u>

The tax charge for the year is less than (previous year more than) the standard rate of corporation tax in the UK of 19% (2022: 19%) due to the effect of items explained below.

	2023 £	2022 £
Loss on ordinary activities before tax	(2,345,979)	(1,910,716)
Tax thereon at the standard rate of corporation tax	(445,736)	(363,036)
Expenses not deductible for tax purposes	(4,252)	6,669
Depreciation for the year more/(less) than capital allowances	79,338	72,726
Unpaid pension cost	7,265	4,403
Prior year adjustment	-	-
Deferred tax movement	(132,910)	115,406
	<u>(496,295)</u>	<u>(163,832)</u>

Inflite Engineering Services Limited

Notes (continued)

10 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings, tools and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2022	15,614,470	4,082,355	47,167	19,743,992
Additions	88,234	180,613	-	268,847
Disposals	(907,040)	-	-	(907,040)
At 31 March 2023	14,795,664	4,262,968	47,167	19,108,799
Depreciation				
At 1 April 2022	11,530,725	3,858,622	18,253	15,407,600
Charged in the year	730,079	133,832	15,722	879,633
Disposals	(722,880)	-	-	(722,880)
At 31 March 2023	11,537,924	3,992,454	33,975	15,564,353
Net book value				
At 31 March 2023	3,257,740	270,514	13,192	3,541,446
At 31 March 2022	4,083,745	223,733	28,914	4,336,392

11 Stocks

	2023 £	2022 £
Raw materials and consumables	701,559	294,970
Work in progress	3,738,787	3,574,195
	4,440,346	3,869,165

Inflite Engineering Services Limited

Notes (continued)

12	Debtors	2023	2022
		£	£
	Trade debtors	2,402,451	1,991,986
	Amounts owed by group undertakings	527,878	453,468
	Prepayments and accrued income	142,598	184,436
	Other debtors	818,191	507,418
		3,891,118	3,317,308
13	Creditors: amounts falling due within one year	2023	2022
		£	£
	Trade creditors	1,635,003	733,919
	Amounts owed to group undertakings	500,000	25,477
	Other creditors including taxation and social security	371,653	281,546
	Accruals and deferred income	296,245	276,364
		2,802,901	1,317,306
	Other creditors including taxation and social security comprises:	2023	2022
		£	£
	Social security	195,476	189,235
	Corporation tax	-	42,930
	Other taxes (VAT)	8,022	47,407
	Other creditors	168,155	1,974
		371,653	281,546
14	Financial instruments	2023	2022
		£	£
	Carrying amount of financial assets		
	Measured at fair value through profit and loss	-	-
	Measured at amortised cost	2,952,353	2,477,301
		2,952,353	2,477,301
	Carrying amount of financial liabilities		
	Measured at fair value through profit and loss	-	-
	Measured at amortised cost	(2,431,248)	(1,035,760)
		(2,431,248)	(1,035,760)

Inflite Engineering Services Limited

Notes (continued)

15 Retirement benefit

The retirement benefit charge for the year was £442,490 (2022: £144,362). At the year end, contributions outstanding totalled £38,234 (2022: £23,174).

16 Share capital

	2023 £	2022 £
<i>Allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	100	100

The Ordinary shares prescribe the right to attend and vote at any general meetings, receive dividends and participate in distribution on winding up of the company.

17 Provisions for liabilities and charges

	2023 £	2022 £
Dilapidations obligations	1,475,323	1,728,726
Deferred tax	681,389	814,299
	<u>2,156,712</u>	<u>2,543,025</u>

During the year there was £132,910 utilised (2022: £10,859 utilised) in respect of dilapidations provision. The dilapidation provision exists over the leased property of the business in relation to a present obligation for the expected future repairs and renovations costs to the property.

Deferred tax

The full potential liability and amount provided for deferred taxation at 25% (2022: 25%) is as follows:

	Full potential liability 2023 £	Amount provided 2023 £	Full potential liability 2022 £	Amount provided 2022 £
Accelerated capital allowances	681,389	681,389	827,468	827,468
Other timing differences	-	-	(13,169)	(13,169)
	<u>681,389</u>	<u>681,389</u>	<u>814,299</u>	<u>814,299</u>

During the year £132,910 of deferred taxation was credited (2022: £115,406 debited) in respect of accelerated capital allowances and other timing differences.

Inflite Engineering Services Limited

Notes (continued)

18 Cash generated from operations

	2023 £	2022 £
Loss for the year after tax	(1,849,684)	(1,746,884)
Adjustments for:		
Corporation Tax (credited)/charged	(496,295)	(163,832)
Finance Costs	-	-
Investment Income	-	-
(Profit)/loss on disposal of fixed assets	(610)	30,713
Depreciation and impairment of tangible fixed assets	879,634	895,322
Movements in working capital		
(Increase)/decrease in stocks	(571,181)	1,289,175
(Increase)/decrease in debtors	(753,810)	376,299
Increase/(decrease) in creditors (including movement on provisions)	1,349,812	(673,644)
Net cash (outflow)/inflow from operating activities	(1,442,134)	7,149

19 Commitments

- (i) Capital commitments which had been contracted for at 31 March 2023 amount to £566,000 (2022: £375,633).
- (ii) Commitments under operating leases for land and buildings comprise £1,422,722 (2022: £1,415,722), £5,690,888 (2022: £5,662,889) and £7,113,610 (2022: £7,082,488) for leases expiring in less than one year, between one and five years and more than five years, respectively.

20 Related party transactions

In accordance with FRS102 the company has not disclosed transactions with wholly owned members of the group. No guarantees have been given or received during the period.

21 Ultimate parent company and controlling related party

The immediate parent undertaking is Swan Investment Group Limited, a Company incorporated in the United Kingdom and registered in England and Wales and registered address of Inflite House, Stansted Airport, Stansted, Essex, CM24 1RY.

The ultimate parent company is Swan Investments Group Holdings Limited, a company incorporated in Great Britain, registered in England and Wales and registered address of Inflite House, Stansted Airport, Stansted, Essex, CM24 1RY. Swan Investments Group Holdings Limited prepares the consolidated financial statements incorporating the results of the company, which are available to the public and may be obtained from Companies House.

The ultimate controlling party is Mrs P A Stephens by virtue of her holding in the shares of the parent undertaking.