

Company registration number 00599506 (England and Wales)

VISION ENGINEERING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

VISION ENGINEERING LIMITED

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VISION ENGINEERING LIMITED

COMPANY INFORMATION

Directors	M Curtis S Crossley J Freeman S Mead G Mercer P Newbatt J Curtis
Company number	00599506
Registered office	The Freeman Building Galileo Drive Send Woking Surrey United Kingdom GU23 7ER
Auditor	Azets Audit Services Limited Ashcombe Court Woolsack Way Godalming Surrey United Kingdom GU7 1LQ

VISION ENGINEERING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their strategic report for the year ended 31 March 2025.

Review of the business

The results for the year and financial position of the company and the group are as shown in the annexed accounts.

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross profit margin and return on capital employed.

Strategic Framework:

Technology

Vision Engineering will continue to develop and bring to market new products and technologies for both existing and new markets. Where appropriate Vision Engineering will collaborate with strategic partners or pursue acquisitions to develop innovative solutions.

Technologies around augmented reality, virtual reality and artificial intelligence continue to advance at great speed. Vision Engineering will exploit these advances through internal and collaborative R&D programmes.

Global

Vision Engineering continues to expand its global structure of subsidiaries and sales offices while developing the number and quality of our channel partners.

VE Engineering SE Asia Pte. Ltd was established in Singapore during the financial year to facilitate increased sales into the region. Vision Engineering will seek opportunities to expand further within Asia.

Customer focus

The customer will remain at the heart of our strategy. Vision Engineering strives to provide the customer with solutions of the highest quality and value backed up with market leading service and support. Account based management and listening to the Voice of the Customer (VOC) are priorities for the coming year.

Operational excellence

Vision Engineering to leverage its strong operational teams to drive profitable growth and margin improvement. Our Technology Partnering Division allows third parties to exploit our manufacturing knowledge and capabilities, and we aim to expand this offering. Global machining operations have been consolidated in Send allowing for greater efficiency, flexibility and responsiveness.

People

Vision Engineering Global values its people and aims to be an employer of choice. Investment continues to be made in recruitment, development and retention of higher performing team members. ca. 40% of Vision Engineering staff are employed overseas. Significant advances in modern, attractive working practices, apprenticeships, Management Develop Teams and succession planning programmes are key pillars of this strategy. Modern best practices will continue to be rolled out worldwide.

Vision Engineering Group continues to pursue an active acquisition strategy, targeting SME's with complementary technology and JV's in new technology markets

VISION ENGINEERING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Review of the business (continued)

As a manufacturer of optical and digital instrumentation, the company continues to operate across the following principal geographical markets:

- United Kingdom and Ireland
- North America (USA, Mexico, Canada, Costa Rica, South America),
- Western/ Central Europe (based in Germany, France and Italy)
- Japan
- China
- India
- South East Asia
- Rest of the World

Non UK business accounts for approximately 90% of turnover.

A key factor slowing global growth during the year was the general tightening of monetary policy, driven by high inflation. Weak business sentiment and cautious spending by business contributed to a subdued economic environment. Furthermore, geopolitical tension caused disruptions in supply chains, affecting trade and economic growth. Surges in imports were driven by companies trying to stock up on goods before the imposition of tariffs by the Trump Administration. The ongoing wars in Ukraine and Gaza significantly impacted economies creating instability in the regions, mounting debt and population displacement.

The Board made a conscious decision to avoid cost cutting which would affect core capabilities and be very difficult to regain, when the global situation improves. Savings were made through natural wastage, stock and supplier control. The Board was clear that this would result in a controlled loss position. The Board carefully managed cash, to mitigate the risk of such a strategy.

We made an operating loss in 2025 of **£3,628,962** (net profit of -11%) compared to a profit in 2024 of £1,230,751, net profit of 3.2%. Pre Tax losses for the year were **£3,428,632** (-10.3%) compared to profit of £1,303,272 (3.5%) for 2024.

After taxation and minority interests, reserves have decreased by **£4,896,181** in 2025 compared to an increase of £421,786 in 2024.

Description of Principal Risks and Uncertainties

Risk factors identified for the coming year are as follows;

- Ongoing inflationary pressures driving up supply costs.
- Continued disproportionate increases in business rates
- Impacts of Tariffs on Global economies.
- Risk of recessions in core countries
- Cyber incidents, including cyber crime
- Global instability with ongoing wars in Ukraine & Gaza.

Return on capital employed is -11.1% (2024 3.7%). Return on capital employed is calculated as profit before interest and tax divided by capital employed, which constitutes total assets less current liabilities, less investments, less cash, plus overdrafts and other short term borrowings.

VISION ENGINEERING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

On behalf of the board

M Curtis
Director

12 December 2025

VISION ENGINEERING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the company and group continued to be that of the manufacture of optical instruments.

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £900,044.

Directors

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

M Curtis
S Crossley
J Freeman
S Mead
G Mercer
P Newbatt
J Curtis

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

M Curtis

Director

12 December 2025

VISION ENGINEERING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 group and company will continue in business.

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

VISION ENGINEERING LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VISION ENGINEERING LIMITED

Opinion

We have audited the financial statements of Vision Engineering Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2025 and of the group's 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 group and parent 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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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.

Opinions on other matters prescribed by the Companies Act 2006

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

VISION ENGINEERING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VISION ENGINEERING LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

VISION ENGINEERING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF VISION ENGINEERING LIMITED

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

David Lawrence BSc (Hons) FCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

23 December 2025

Chartered Accountants
Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
United Kingdom
GU7 1LQ

VISION ENGINEERING LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Turnover	3	33,010,774	37,349,892
Cost of sales		(15,547,295)	(17,300,565)
Gross profit		17,463,479	20,049,327
Administrative expenses		(21,593,008)	(19,241,058)
Other operating income		500,558	422,482
Operating (loss)/profit	4	(3,628,971)	1,230,751
Interest receivable and similar income		285,086	160,551
Interest payable and similar expenses		(84,756)	(88,030)
(Loss)/profit before taxation		(3,428,641)	1,303,272
Tax on (loss)/profit	8	(443,133)	(433,979)
(Loss)/profit for the financial year		(3,871,774)	869,293
(Loss)/profit for the financial year is attributable to:			
- Owners of the parent company		(3,831,362)	894,480
- Non-controlling interests		(40,412)	(25,187)
		(3,871,774)	869,293

VISION ENGINEERING LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
(Loss)/profit for the year	(3,871,774)	869,293
Other comprehensive income		
Currency translation loss taken to retained earnings	(124,372)	(405,073)
Cash flow hedges gain arising in the year	-	-
Total comprehensive income for the year	(3,996,146)	464,220
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	(3,955,172)	487,323
- Non-controlling interests	(40,974)	(23,103)
	(3,996,146)	464,220

VISION ENGINEERING LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Goodwill	12		-		1,346,563
Tangible assets	11		18,207,619		18,529,896
Other property	15		1,900,000		1,900,000
			<u>20,107,619</u>		<u>21,776,459</u>
Current assets					
Stocks	16	10,828,797		10,723,637	
Debtors	17	6,054,586		7,180,898	
Cash at bank and in hand		7,136,304		10,469,387	
		<u>24,019,687</u>		<u>28,373,922</u>	
Creditors: amounts falling due within one year	19	(4,402,748)		(4,775,132)	
Net current assets			<u>19,616,939</u>		<u>23,598,790</u>
Total assets less current liabilities			<u>39,724,558</u>		<u>45,375,249</u>
Creditors: amounts falling due after more than one year	18		(900,448)		(1,620,954)
Provisions for liabilities					
Deferred tax liability		298,549		332,544	
		<u>(298,549)</u>		<u>(332,544)</u>	
Net assets			<u><u>38,525,561</u></u>		<u><u>43,421,751</u></u>
Capital and reserves					
Called up share capital	22		24,555		24,555
Share premium account			6,776,053		6,776,053
Revaluation reserve			711,566		711,566
Profit and loss reserves			<u>31,090,699</u>		<u>35,945,915</u>
Equity attributable to owners of the parent company			<u>38,602,873</u>		<u>43,458,089</u>
Non-controlling interests			<u>(77,312)</u>		<u>(36,338)</u>
			<u><u>38,525,561</u></u>		<u><u>43,421,751</u></u>

The financial statements were approved by the board of directors and authorised for issue on 12 December 2025 and are signed on its behalf by:

M Curtis
Director

Company registration number 00599506 (England and Wales)

VISION ENGINEERING LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11	17,357,952		17,580,039	
Other property	15	1,900,000		1,900,000	
Investments	13	6,781,349		8,263,776	
		<u>26,039,301</u>		<u>27,743,815</u>	
Current assets					
Stocks	16	7,519,568		7,140,116	
Debtors	17	7,195,393		7,146,116	
Cash at bank and in hand		3,608,700		8,161,721	
		<u>18,323,661</u>		<u>22,447,953</u>	
Creditors: amounts falling due within one year	19	<u>(3,352,517)</u>		<u>(5,637,130)</u>	
Net current assets		<u>14,971,144</u>		<u>16,810,823</u>	
Total assets less current liabilities		<u>41,010,445</u>		<u>44,554,638</u>	
Creditors: amounts falling due after more than one year	18	(2,373,657)		(1,322,734)	
Provisions for liabilities					
Deferred tax liability		195,721		195,721	
		<u>(195,721)</u>		<u>(195,721)</u>	
Net assets		<u>38,441,067</u>		<u>43,036,183</u>	
Capital and reserves					
Called up share capital	22	24,555		24,555	
Share premium account		6,776,053		6,776,053	
Revaluation reserve		711,566		711,566	
Profit and loss reserves		30,928,893		35,524,009	
Total equity		<u>38,441,067</u>		<u>43,036,183</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £3,704,707 (2024 - £2,122,024 profit).

The financial statements were approved by the board of directors and authorised for issue on 12 December 2025 and are signed on its behalf by:

M Curtis
Director

Company Registration No. 00599506

VISION ENGINEERING LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total non-controlling interest	Total
Notes	£	£	£	£	£	£
Balance at 1 April 2023	24,555	6,776,053	711,566	35,501,026	43,013,200	(13,235) 42,999,965
Year ended 31 March 2024:						
Profit for the year	-	-	-	894,480	894,480	(25,187) 869,293
Other comprehensive income:						
Currency translation differences	-	-	-	(405,073)	(405,073)	- (405,073)
Amounts attributable to non-controlling interests	-	-	-	(2,084)	(2,084)	2,084 -
Total comprehensive income for the year	-	-	-	487,323	487,323	(23,103) 464,220
Dividends	-	-	-	(42,434)	(42,434)	- (42,434)
Balance at 31 March 2024	24,555	6,776,053	711,566	35,945,915	43,458,089	(36,338) 43,421,751
Year ended 31 March 2025:						
Loss for the year	-	-	-	(3,831,362)	(3,831,362)	(40,412) (3,871,774)
Other comprehensive income:						
Currency translation differences	-	-	-	(124,372)	(124,372)	- (124,372)
Amounts attributable to non-controlling interests	-	-	-	562	562	(562) -
Total comprehensive income for the year	-	-	-	(3,955,172)	(3,955,172)	(40,974) (3,996,146)
Dividends	-	-	-	(900,044)	(900,044)	- (900,044)
Balance at 31 March 2025	24,555	6,776,053	711,566	31,090,699	38,602,873	(77,312) 38,525,561

VISION ENGINEERING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2023		24,555	6,776,053	711,566	33,522,389	41,034,563
Year ended 31 March 2024:						
Profit for the year		-	-	-	2,122,024	2,122,024
Other comprehensive income:						
Currency translation differences		-	-	-	(77,970)	(77,970)
Total comprehensive income		-	-	-	2,044,054	2,044,054
Dividends	9	-	-	-	(42,434)	(42,434)
Balance at 31 March 2024		24,555	6,776,053	711,566	35,524,009	43,036,183
Year ended 31 March 2025:						
Profit for the year		-	-	-	(3,704,707)	(3,704,707)
Other comprehensive income:						
Currency translation differences		-	-	-	9,635	9,635
Total comprehensive income		-	-	-	(3,695,072)	(3,695,072)
Dividends	9	-	-	-	(900,044)	(900,044)
Balance at 31 March 2025		24,555	6,776,053	711,566	30,928,893	38,441,067

VISION ENGINEERING LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25				
		(1,119,708)		1,579,144	
Interest paid		(84,756)		(88,030)	
Income taxes paid		(340,951)		(329,301)	
Net cash (outflow)/inflow from operating activities		(1,545,415)		1,161,813	
Investing activities					
Purchase of tangible fixed assets		(587,151)		(640,492)	
Proceeds on disposal of tangible fixed assets		180,516		4,984,733	
Interest received		285,086		160,551	
Net cash (used in)/generated from investing activities		(121,549)		4,504,792	
Financing activities					
Repayment of bank loans		(597,419)		(862,302)	
Payment of finance leases obligations		(72,350)		-	
Dividends paid to equity shareholders		(900,044)		(42,434)	
Net cash used in financing activities		(1,569,813)		(904,736)	
Net (decrease)/increase in cash and cash equivalents		(3,236,777)		4,761,869	
Cash and cash equivalents at beginning of year		10,469,387		5,707,518	
Effect of foreign exchange rates		(96,306)		-	
Cash and cash equivalents at end of year		7,136,304		10,469,387	

VISION ENGINEERING LIMITED

GROUP STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Judgements and key sources of estimation uncertainty

In the application of the group'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. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stock provision

Stock values can decrease due to deterioration, damage or obsolescence. A provision is therefore determined based on each product's movement history. The directors exercise judgement over specific stock lines and make provisions where these are deemed to be appropriate.

2 Accounting policies

Company information

Vision Engineering Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is The Freeman Building, Galileo Drive, Send, Woking, Surrey, United Kingdom, GU23 7ER.

The group consists of Vision Engineering Limited and all of its subsidiaries.

2.1 Accounting convention

These financial statements replace the original financial statements, are now the statutory financial statements and are prepared as they were at the date of the original financial statements. The accounts have been amended to include the parent company guarantee in note 14.

These financial statements 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, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

(Continued)

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

2.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Vision Engineering Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2025. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

2.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. This is due to strong levels of cash at the year end and being able to meet liabilities for at least the next 12 months.

2.4 Turnover

Turnover is measured at fair value of the consideration received or receivable and represents the amount receivable for goods and services supplied to customers in the normal course of business, excluding value added tax.

Goods are invoiced and revenue is recognised when the goods are despatched to the customer or in accordance with the contract terms where customer approval is required prior to the despatch of goods.

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

(Continued)

2.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

2.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	nil - fully amortised
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2.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured 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 on the following bases:

Freehold buildings	1.25-5% on cost
Improvements to property	5-10% on cost
Plant and equipment	10-50% on cost
Fixtures and fittings	20%-33.5% on cost
Motor vehicles	20% on cost

Freehold land is not depreciated.

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

2.8 Other property

Other property is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

(Continued)

2.9 Fixed asset investments

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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 the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

2.11 Stocks

Stock comprises raw materials, work in progress, finished goods and goods for resale and is stated at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads. The estimated selling price is based on the price at which stock can be realised in the normal course of business.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

2.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

2.13 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Short term debtors are measured at transaction value less any impairment. At each balance sheet date, debtors are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is measured as the difference between the carrying amount and the amount expected to be received.

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

2.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

2.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.16 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.

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

(Continued)

2.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.19 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.

2.20 Foreign exchange

Trading results of overseas operations and assets and liabilities denominated in foreign currencies are expressed in sterling at the rate of exchange ruling at the balance sheet date.

Unrealised exchange differences arising on the translation into sterling of net assets of overseas branches are recorded as a movement on reserves.

Exchange differences arising in the normal course of trade are included within the profit and loss account.

3 Turnover and other revenue

	2025	2024
	£	£
Turnover analysed by class of business		
Sale of goods	32,422,985	36,301,070
Rendering of services	587,789	1,048,822
	<u>33,010,774</u>	<u>37,349,892</u>

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Turnover and other revenue		(Continued)	
	2025	2024	
	£	£	
Turnover analysed by geographical market			
United Kingdom	5,087,411	7,502,610	
Germany	5,140,346	6,341,488	
Iberia	2,597,751	3,140,694	
Italy	2,550,055	3,290,999	
USA	13,073,022	11,848,367	
Japan	1,132,587	1,059,197	
Other exports - EC	557,429	556,843	
Other exports - Non EC	2,872,173	3,609,694	
	<u>33,010,774</u>	<u>37,349,892</u>	
	2025	2024	
	£	£	
Other revenue			
Interest income	285,086	160,551	
Grants received	130,888	31,797	
	<u></u>	<u></u>	
4 Operating (loss)/profit		2025	2024
		£	£
Operating (loss)/profit for the year is stated after charging/(crediting):			
Exchange (gains)/losses	(2,282)	139,303	
Government grants	(130,888)	(31,797)	
Fees payable to the group's auditor for the audit of the group's financial statements	49,200	63,899	
Depreciation of owned tangible fixed assets	816,357	888,182	
Profit on disposal of tangible fixed assets	(116,181)	(57,397)	
Amortisation of intangible assets	-	165,703	
Impairment of intangible assets	1,346,563	-	
Operating lease charges	1,111,369	1,055,349	
	<u></u>	<u></u>	

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

5 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2025 Number	2024 Number	Company 2025 Number	2024 Number
Operations and management	110	99	87	81
Production	59	57	47	45
Sales	56	54	37	35
Research	11	10	11	10
Total	236	220	182	171

Their aggregate remuneration comprised:

	Group 2025 £	2024 £	Company 2025 £	2024 £
Wages and salaries	13,428,518	13,070,509	8,995,701	8,462,963
Social security costs	1,582,331	1,771,468	1,303,969	1,468,006
Pension costs	400,205	163,955	382,988	150,605
	15,411,054	15,005,932	10,682,658	10,081,574

6 Auditor's remuneration

	2025 £	2024 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	49,200	41,600

7 Directors' remuneration

	2025 £	2024 £
Remuneration for qualifying services	707,450	718,477
Company pension contributions to defined contribution schemes	26,704	23,526
	734,154	742,003

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Directors' remuneration

(Continued)

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2025 £	2024 £
Remuneration for qualifying services	142,209	153,118
Company pension contributions to defined contribution schemes	5,893	5,621
	<u> </u>	<u> </u>

8 Taxation

	2025 £	2024 £
Current tax		
UK corporation tax on profits for the current period	443,133	433,979
	<u> </u>	<u> </u>

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2025 £	2024 £
(Loss)/profit before taxation	(3,428,641)	1,303,272
	<u> </u>	<u> </u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 25.00% (2024: 25.00%)	(857,160)	325,818
Unutilised tax losses carried forward	712,736	-
Change in unrecognised deferred tax assets	28,256	63,696
Research and development tax credit	(202,705)	(268,473)
Effect of revaluations of investments	336,641	-
Effect of overseas tax rates	424,794	433,979
Foreign exchange differences	571	(34,826)
Other tax adjustments	-	(86,215)
	<u> </u>	<u> </u>
Taxation charge	443,133	433,979
	<u> </u>	<u> </u>

9 Dividends

	2025 £	2024 £
Recognised as distributions to equity holders:		
Final paid	900,044	42,434
	<u> </u>	<u> </u>

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2025 £	2024 £
In respect of:			
Goodwill	12	1,346,563	-
Recognised in:			
Administrative expenses		1,346,563	-

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

11 Tangible fixed assets

Group	Freehold buildings £	Improvements to property £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2024	20,025,977	5,747	5,670,602	1,145,012	135,004	26,982,342
Additions	332,410	-	166,854	83,887	4,000	587,151
Disposals	-	-	(1,394,909)	(30,219)	(31,275)	(1,456,403)
Transfers	6,264	-	(531,246)	(82,810)	-	(607,792)
Exchange adjustments	(62,983)	-	(6,210)	(14,076)	(320)	(83,589)
At 31 March 2025	20,301,668	5,747	3,905,091	1,101,794	107,409	25,421,709
Depreciation and impairment						
At 1 April 2024	3,891,264	5,747	3,460,812	989,538	105,085	8,452,446
Depreciation charged in the year	341,880	-	410,933	53,641	9,903	816,357
Eliminated in respect of disposals	-	-	(1,344,650)	(20,143)	(27,275)	(1,392,068)
Transfers	13,215	-	(513,284)	(107,053)	-	(607,122)
Exchange adjustments	(38,248)	-	(4,187)	(12,768)	(320)	(55,523)
At 31 March 2025	4,208,111	5,747	2,009,624	903,215	87,393	7,214,090
Carrying amount						
At 31 March 2025	16,093,557	-	1,895,467	198,579	20,016	18,207,619
At 31 March 2024	16,134,713	-	2,209,790	155,474	29,919	18,529,896

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

11 Tangible fixed assets

(Continued)

Company	Freehold buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2024	18,020,372	3,249,341	725,573	83,450	22,078,736
Additions	313,934	161,589	64,046	4,000	543,569
Disposals	-	-	(8,982)	(4,000)	(12,982)
Exchange adjustments	(18,940)	-	(5,839)	-	(24,779)
At 31 March 2025	18,315,366	3,410,930	774,798	83,450	22,584,544
Depreciation and impairment					
At 1 April 2024	2,458,787	1,373,996	612,383	53,531	4,498,697
Depreciation charged in the year	320,987	380,743	29,425	9,903	741,058
Eliminated in respect of disposals	-	(1,115)	-	-	(1,115)
Exchange adjustments	(6,792)	-	(5,256)	-	(12,048)
At 31 March 2025	2,772,982	1,753,624	636,552	63,434	5,226,592
Carrying amount					
At 31 March 2025	15,542,384	1,657,306	138,246	20,016	17,357,952
At 31 March 2024	15,561,585	1,875,345	113,190	29,919	17,580,039

Freehold land and buildings with a carrying amount of £1,298,339 (2024 - £1,298,339) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Included in the cost of land and buildings for the group is freehold land of £1,776,774 (2024 - £1,785,802) which is not depreciated.

Included in the cost of land and buildings for the company is freehold land of £1,675,965 (2024 - £1,682,482) which is not depreciated.

Freehold property included within land and buildings in the United Kingdom was valued on an open market basis by the Directors on 30 April 2000. The valuations are treated as deemed cost in line with the transitional arrangements of FRS102. Freehold property included in land and buildings in Germany was valued on an open market basis by BV Immobilien-Gesellschaft GmbH on 20 February 1995. The valuations will not be updated. If the freehold property had not been revalued it would have been included at an historical cost of £1,570,453.

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

12 Intangible fixed assets

Group	Goodwill £	Negative goodwill £	Patents & licences £	Total £
Cost				
At 1 April 2024 and 31 March 2025	1,665,636	(616,012)	850	1,050,474
Amortisation and impairment				
At 1 April 2024	319,073	(616,012)	850	(296,089)
Impairment losses	1,346,563	-	-	1,346,563
At 31 March 2025	1,665,636	(616,012)	850	1,050,474
Carrying amount				
At 31 March 2025	-	-	-	-
At 31 March 2024	1,346,563	-	-	1,346,563

13 Fixed asset investments

	Notes	Group 2025 £	2024 £	Company 2025 £	2024 £
Investments in subsidiaries	14	-	-	6,781,349	8,263,776
Movements in fixed asset investments					
Company					Shares in subsidiaries £
Cost or valuation					
At 1 April 2024 and 31 March 2025					8,263,776
Impairment					
At 1 April 2024					-
Impairment losses					1,482,427
At 31 March 2025					1,482,427
Carrying amount					
At 31 March 2025					6,781,349
At 31 March 2024					8,263,776

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Subsidiaries (Continued)

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Nippon Vision Engineering	Japan	Ordinary	90.00	-
Vision Engineering Inc	United States of America	Ordinary	100.00	-
Miltum Limited	United Kingdom	Ordinary	100.00	-
Miltum (Precision Engineers) Limited	United Kingdom	Ordinary	0	100.00
VE Quality Instrumentation Private Limited	United Kingdom	Ordinary	100.00	-

During the year, the Directors of the Company have given a parent company guarantee to one subsidiary company for an exemption from being audited under section 479A of the Companies Act 2006 relating to subsidiary companies.

The guarantee has been given to the following subsidiary company:

- Miltum (Precision Engineers) Limited - 04236207

15 Other property

	Group 2025 £	Company 2025 £
Fair value		
At 1 April 2024 and 31 March 2025	1,900,000	1,900,000

Other property comprises residential property. The fair value of the property has been arrived at on the basis of a valuation carried out at 2 August 2021 by Savills, who are not connected with the company. The valuation was made on an open market value basis subject to tenancy, by reference to market evidence of transaction prices for similar properties.

The other property has been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

16 Stocks

	Group 2025 £	2024 £	Company 2025 £	2024 £
Raw materials and consumables	6,715,183	6,291,998	5,156,273	4,796,650
Work in progress	282,499	305,507	246,394	292,470
Finished goods and goods for resale	3,831,115	4,126,132	2,116,901	2,050,996
	<u>10,828,797</u>	<u>10,723,637</u>	<u>7,519,568</u>	<u>7,140,116</u>

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Debtors

	Group 2025	2024	Company 2025	2024
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	5,168,454	6,057,988	3,533,881	3,858,088
Gross amounts owed by contract customers	152,524	165,003	152,524	165,003
Corporation tax recoverable	15,288	1,533	1,380	1,380
Amounts owed by group undertakings	-	-	2,962,838	2,435,560
Other debtors	82,439	399,642	52,984	259,589
Prepayments and accrued income	635,881	556,732	491,786	426,496
	<u>6,054,586</u>	<u>7,180,898</u>	<u>7,195,393</u>	<u>7,146,116</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2025	2024	Company 2025	2024
		£	£	£	£
Bank loans and overdrafts	20	870,000	1,473,356	2,373,657	1,277,934
Obligations under finance leases		30,448	102,798	-	-
Trade creditors		-	44,800	-	44,800
		<u>900,448</u>	<u>1,620,954</u>	<u>2,373,657</u>	<u>1,322,734</u>

19 Creditors: amounts falling due within one year

	Notes	Group 2025	2024	Company 2025	2024
		£	£	£	£
Bank loans	20	80,955	75,018	-	-
Trade creditors		1,132,030	1,264,108	977,988	1,129,021
Amounts owed to group undertakings		-	-	162,165	1,791,091
Corporation tax payable		435,613	285,681	-	13,168
Other taxation and social security		1,031,985	904,527	1,021,703	910,457
Other creditors		397,775	567,767	278,417	497,576
Accruals and deferred income		1,324,390	1,678,031	912,244	1,295,817
		<u>4,402,748</u>	<u>4,775,132</u>	<u>3,352,517</u>	<u>5,637,130</u>

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20 Loans and overdrafts

	Group 2025 £	2024 £	Company 2025 £	2024 £
Bank loans	950,955	1,548,374	2,373,657	1,277,934
Payable within one year	80,955	75,018	-	-
Payable after one year	870,000	1,473,356	2,373,657	1,277,934

The long-term loans are secured by fixed charges over elements of the land and buildings, and other property.

The bank loan was provided over a 5 year period, with an interest rate payable of 2.09% over base rate.

21 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	400,205	163,955

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

Group and company	2025 Number	2024 Number	2025 £	2024 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	24,555	24,555	24,555	24,555

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2025 £	2024 £	Company 2025 £	2024 £
Within one year	422,410	396,619	254,195	188,181
Between two and five years	483,183	293,935	345,512	271,277
	<u>905,593</u>	<u>690,554</u>	<u>599,707</u>	<u>459,458</u>

24 Controlling party

The ultimate controlling parties are M Curtis, J P Curtis and J M Freeman.

25 Cash (absorbed by)/generated from group operations

	2025 £	2024 £
(Loss)/profit for the year after tax	(3,871,774)	869,293
Adjustments for:		
Share of results of associates and joint ventures	-	2,084
Taxation charged	443,133	433,979
Finance costs	84,756	88,030
Investment income	(285,086)	(160,551)
Gain on disposal of tangible fixed assets	(116,181)	(57,397)
Amortisation and impairment of intangible assets	1,346,563	165,703
Depreciation and impairment of tangible fixed assets	816,357	888,182
Foreign exchange gains on cash equivalents	-	(353,396)
Other gains and losses	670	-
Movements in working capital:		
(Increase)/decrease in stocks	(105,160)	2,515,433
Decrease/(increase) in debtors	1,140,067	(878,731)
Decrease in creditors	(573,053)	(1,933,485)
Cash (absorbed by)/generated from operations	<u>(1,119,708)</u>	<u>1,579,144</u>

VISION ENGINEERING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Analysis of changes in net funds - group

	1 April 2024	Cash flows	Exchange rate	31 March 2025
	£	£	movements	£
			£	
Cash at bank and in hand	10,469,387	(3,236,777)	(96,306)	7,136,304
Borrowings excluding overdrafts	(1,548,374)	597,419	-	(950,955)
Obligations under finance leases	(102,798)	72,350	-	(30,448)
	<u>8,818,215</u>	<u>(2,567,008)</u>	<u>(96,306)</u>	<u>6,154,901</u>

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