

**AUGHTON AUTOMATION LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**AUGHTON AUTOMATION LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	B. Duffy P. Bancroft K. Corcoran
<b>Company secretary</b>	B. Duffy
<b>Registered number</b>	03872570
<b>Registered office</b>	115 Evans Road Speke Liverpool Merseyside L24 9PB
<b>Independent auditors</b>	Langtons Professional Services Limited Chartered Accountants & Statutory Auditors The Plaza 100 Old Hall Street Liverpool L3 9QJ

[www.datalog.co.uk](http://www.datalog.co.uk)

Apache

Access forbidden!

---

AUGHTON AUTOMATION LIMITED

---

CONTENTS

---

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 24

---

AUGHTON AUTOMATION LIMITED

---

STRATEGIC REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**Business review**

The directors are satisfied that the ongoing strategy of establishing and maintaining partnering relationships with customers, suppliers and indeed selective competitors has again contributed to consistent performance.

**Principal risks and uncertainties**

The company's operations expose it to a variety of financial risks that include the effect of credit risk. The company has in place policies that seek to limit the adverse effects on the financial performance of the company. The policies set by the board of directors are implemented by the company's finance department.

**Credit risk**

The company has implemented policies that require appropriate credit assessments on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to review by the company's finance department.

**Financial key performance indicators**

Gross Profit per Employee £12,014 (2020 - £10,038) - This has been calculated as gross profit divided by the average number of employees in the year and is used to measure contribution in relation to manpower, labour costs being a significant cost within the business.

Operating Profit per Employee £2,440 (2020 - £2,493) - This has been calculated as operating profit divided by the average number of employees in the year and is used to measure return in relation to manpower, labour costs being a significant cost within the business.

This report was approved by the board on 9 May 2022 and signed on its behalf.

**B. Duffy**  
Director

---

AUGHTON AUTOMATION LIMITED

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

The directors present their report and the financial statements for the year ended 30 September 2021.

**Results and dividends**

The profit for the year, after taxation, amounted to £396,181 (2020 - £420,462).

The directors do not recommend any dividends for the year.

**Principal activity**

The principal activities of the company during the year continued to be Control Instrumentation and Electrical Engineering including Projects, Installation & Maintenance Services, and Test Equipment Rental, Instrument Repairs & Calibrations.

**Directors**

The directors who served during the year were:

B. Duffy  
P. Bancroft  
K. Corcoran

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 Company will continue in business.

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

[www.datalog.co.uk](http://www.datalog.co.uk)

Apache

Access forbidden!

---

**AUGHTON AUTOMATION LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**Disclosure of information to auditors**

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

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

**Post balance sheet events**

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

**Auditors**

The auditors, Langtons Professional Services Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 9 May 2022 and signed on its behalf.

B. Duffy  
Director



---

**AUGHTON AUTOMATION LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUGHTON AUTOMATION LIMITED**

---

**Opinion**

We have audited the financial statements of Aughton Automation Limited (the 'Company') for the year ended 30 September 2021, which comprise the Statement of comprehensive income, the Statement of financial position, 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 30 September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Auditors' 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.

[www.datalog.co.uk](http://www.datalog.co.uk)

We have not ~~Apache~~ support in this regard.

Access forbidden!

---

AUGHTON AUTOMATION LIMITED

---

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUGHTON AUTOMATION LIMITED (CONTINUED)

---

**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.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 2, 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.

---

**AUGHTON AUTOMATION LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUGHTON AUTOMATION LIMITED (CONTINUED)**

---

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

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

The objectives of our audit, in respect to fraud, are:

- to identify and assess the risks of material misstatement of the financial statements due to fraud;
- to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006), the relevant tax compliance regulations in the UK and the EU General Data Protection Regulation (GDPR).

- We understood how the Company is complying with those frameworks by making enquiries of management. Through consideration of the results of our audit procedures we were able to either corroborate or provide contrary evidence which was then followed up.

- Based on our understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved:

enquiries of management; and

journal entry testing, with a focus on manual journals indicating large or unusual transactions based on our understanding of the business.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence efforts made by management to manage revenue and earnings. Where the risk was considered to be higher, including areas impacting key performance indicators or management remuneration, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. These procedures included those on revenue recognition detailed above, the assessment of items identified by management as non-recurring and testing manual journals and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

---

**AUGHTON AUTOMATION LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUGHTON AUTOMATION LIMITED (CONTINUED)**

---

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

Andrew McCall (Senior statutory auditor)

for and on behalf of

**Langtons Professional Services Limited**

Chartered Accountants  
Statutory Auditors

The Plaza  
100 Old Hall Street  
Liverpool  
L3 9QJ

9 May 2022

---

AUGHTON AUTOMATION LIMITED

---

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

	Note	2021 £	2020 £
Turnover	4	14,640,658	16,611,109
Cost of sales		(12,468,178)	(14,563,436)
<b>Gross profit</b>		<b>2,172,480</b>	<b>2,047,673</b>
Distribution costs		(9,858)	(8,649)
Administrative expenses		(1,670,636)	(1,574,350)
Other operating income	5	27,096	43,811
<b>Operating profit</b>	6	<b>519,082</b>	<b>508,485</b>
Interest receivable and similar income	10	1,723	6,714
Interest payable and similar expenses	11	(4,236)	-
<b>Profit before tax</b>		<b>516,569</b>	<b>515,199</b>
Tax on profit	12	(120,388)	(94,737)
<b>Profit for the financial year</b>		<b>396,181</b>	<b>420,462</b>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 11 to 24 form part of these financial statements.

---

**AUGHTON AUTOMATION LIMITED**  
REGISTERED NUMBER: 03872570

---

**STATEMENT OF FINANCIAL POSITION**  
AS AT 30 SEPTEMBER 2021

---

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	837,952	865,064
		<u>837,952</u>	<u>865,064</u>
<b>Current assets</b>			
Stocks	16	14,941	33,644
Debtors: amounts falling due within one year	17	3,475,968	5,226,736
Cash at bank and in hand	18	1,840,809	1,133,617
		<u>5,331,718</u>	<u>6,393,997</u>
Creditors: amounts falling due within one year	19	(2,377,223)	(3,866,659)
<b>Net current assets</b>		<u>2,954,495</u>	<u>2,527,338</u>
<b>Total assets less current liabilities</b>		<u>3,792,447</u>	<u>3,392,402</u>
<b>Provisions for liabilities</b>			
Deferred tax	21	(19,457)	(15,593)
		<u>(19,457)</u>	<u>(15,593)</u>
<b>Net assets</b>		<u><u>3,772,990</u></u>	<u><u>3,376,809</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	275,000	275,000
Profit and loss account	23	3,497,990	3,101,809
		<u><u>3,772,990</u></u>	<u><u>3,376,809</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 May 2022.

**B. Duffy**  
Director

[www.datalog.co.uk](http://www.datalog.co.uk)

The notes on pages 17 to 24 form part of these financial statements.

Apache



---

AUGHTON AUTOMATION LIMITED

---

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 October 2019</b>	<b>275,000</b>	<b>2,939,347</b>	<b>3,214,347</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	420,462	420,462
<b>Total comprehensive income for the year</b>	-	420,462	420,462
Dividends: Equity capital	-	(258,000)	(258,000)
<b>Total transactions with owners</b>	-	(258,000)	(258,000)
<b>At 1 October 2020</b>	<b>275,000</b>	<b>3,101,809</b>	<b>3,376,809</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	396,181	396,181
<b>Total comprehensive income for the year</b>	-	396,181	396,181
<b>Total transactions with owners</b>	-	-	-
<b>At 30 September 2021</b>	<b>275,000</b>	<b>3,497,990</b>	<b>3,772,990</b>

The notes on pages 11 to 24 form part of these financial statements.

---

**AUGHTON AUTOMATION LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

**1. General information**

Aughton Automation Limited is a private limited company incorporated in England and Wales. Its registered office is 115 Evans Road, Speke, Liverpool, L24 9PB. The company number is 03872570. The principal activity of the company is Control Instrumentation and Electrical Engineering including Projects, Installation & Maintenance Services, and Test Equipment Rental, Instrument Repairs & Calibrations.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation currency of these financial statements is pound sterling; the financial statements are rounded to the nearest pound.

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

The following principal accounting policies have been applied:

**2.2 Going concern**

The company has cash resources and no external finance. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**2. Accounting policies (continued)**

**2.3 Revenue**

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

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

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

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Intangible assets**

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

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

**2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated

impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Apache

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**2. Accounting policies (continued)**

**2.5 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

L/Term Leasehold Property	- 2% straight line
Plant & machinery	- 25% straight line
Fixtures & fittings	- 25% straight line
Computer equipment	- 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.7 Debtors**

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

**2.8 Cash and cash equivalents**

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

**2.9 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

**2.10 Creditors**

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

**2.11 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

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

**2.12 Finance costs**

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

**2.13 Dividends**

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

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**2. Accounting policies (continued)**

**2.14 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

**2.15 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.16 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

2. Accounting policies (continued)

2.18 Current and deferred taxation

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

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

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

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

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

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

The directors have made judgements regarding the depreciation of fixed assets, accrued income, accrued costs and the value of any doubtful debts.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

5. Other operating income

	2021	2020
	£	£
Government grants receivable	27,096	43,811





---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**6. Operating profit**

The operating profit is stated after charging:

	2021	2020
	£	£
Other operating lease rentals	<u>132,764</u>	<u>115,303</u>

**7. Auditors' remuneration**

	2021	2020
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>7,700</u>	<u>7,500</u>

**8. Employees**

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

	2021	2020
	£	£
Wages and salaries	6,304,200	6,958,531
Social security costs	671,598	728,129
Cost of defined contribution scheme	199,061	219,533
	<u>7,174,859</u>	<u>7,906,193</u>

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

	2021	2020
	No.	No.
Administration	18	15
Engineers	157	189
	<u>175</u>	<u>204</u>

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	266,964	256,272
Company contributions to defined contribution pension schemes	20,502	20,502
	<u>287,466</u>	<u>276,774</u>

During the year retirement benefits were accruing to 3 directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £100,284 (2020 - £100,284).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,023 (2020 - £8,023).

10. Interest receivable

	2021 £	2020 £
Other interest receivable	1,723	6,714
	<u>1,723</u>	<u>6,714</u>

11. Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	4,236	-
	<u>4,236</u>	<u>-</u>

## AUGHTON AUTOMATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

## 12. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	113,972	90,561
Adjustments in respect of previous periods	2,552	-
	<u>116,524</u>	<u>90,561</u>
<b>Total current tax</b>	<u>116,524</u>	<u>90,561</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,061)	2,833
Changes to tax rates	4,925	1,343
	<u>3,864</u>	<u>4,176</u>
<b>Taxation on profit on ordinary activities</b>	<u>120,388</u>	<u>94,737</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>516,569</u>	<u>515,196</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	98,148	97,886
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	12,167	9,479
Fixed asset differences	2,851	3,533
Adjustments to tax charge in respect of prior periods	2,552	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	-	(17,506)
Remeasurement of deferred tax for changes in tax rates	4,670	1,343
<b>Total tax charge for the year</b>	<u>120,388</u>	<u>94,737</u>

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

12. Taxation (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

13. Dividends

	2021 £	2020 £
Paid on Ordinary shares in the year	-	258,000
	<u>-</u>	<u>258,000</u>

14. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 October 2020	200,000
At 30 September 2021	<u>200,000</u>
<b>Amortisation</b>	
At 1 October 2020	200,000
At 30 September 2021	<u>200,000</u>
<b>Net book value</b>	
At 30 September 2021	<u>-</u>
<i>At 30 September 2020</i>	<u>-</u>

## AUGHTON AUTOMATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

## 15. Tangible fixed assets

	L/Term Leasehold Property	Plant & machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 October 2020	978,949	89,902	352,424	1,421,275
Additions	-	-	26,870	26,870
At 30 September 2021	<u>978,949</u>	<u>89,902</u>	<u>379,294</u>	<u>1,448,145</u>
<b>Depreciation</b>				
At 1 October 2020	170,907	84,266	301,038	556,211
Charge for the year on owned assets	19,579	2,591	31,812	53,982
At 30 September 2021	<u>190,486</u>	<u>86,857</u>	<u>332,850</u>	<u>610,193</u>
<b>Net book value</b>				
At 30 September 2021	<u>788,463</u>	<u>3,045</u>	<u>46,444</u>	<u>837,952</u>
<i>At 30 September 2020</i>	<u>808,042</u>	<u>5,636</u>	<u>51,386</u>	<u>865,064</u>

## 16. Stocks

	2021	2020
	£	£
Raw materials and consumables	14,941	33,644
	<u>14,941</u>	<u>33,644</u>

## 17. Debtors

	2021	2020
	£	£
Trade debtors	2,068,345	3,832,417
Amounts owed by group undertakings	580,674	580,674
Prepayments and accrued income	826,949	813,645
	<u>3,475,968</u>	<u>5,226,736</u>

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

18. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	1,840,809	1,133,617
	<u>1,840,809</u>	<u>1,133,617</u>

19. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	671,253	1,070,135
Corporation tax	116,410	154,106
Other taxation and social security	845,384	1,500,548
Other creditors	59,650	99,796
Accruals and deferred income	684,526	1,042,069
	<u>2,377,223</u>	<u>3,866,659</u>

20. Financial instruments

	2021	2020
	£	£
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>1,840,809</u>	<u>1,133,617</u>

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

---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

21. Deferred taxation

	2021 £
At beginning of year	(15,593)
Charged to profit or loss	(3,864)
<b>At end of year</b>	<b><u>(19,457)</u></b>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(22,961)	(18,931)
Short term timing differences	3,504	3,336
	<b><u>(19,457)</u></b>	<b><u>(15,595)</u></b>

22. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
275,000 (2020 - 275,000) Ordinary shares of £1.00 each	<b><u>275,000</u></b>	<b><u>275,000</u></b>

23. Reserves

**Profit & loss account**

Includes all current and prior period retained profits and losses.

24. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.



---

AUGHTON AUTOMATION LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

**25. Commitments under operating leases**

At 30 September 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	105,992	95,286
Later than 1 year and not later than 5 years	121,814	73,426
	<u>227,806</u>	<u>168,712</u>

**26. Related party transactions**

The company has taken advantage of the exemption under paragraph 33.1A of FRS 102 and has not disclosed transactions with other wholly owned group companies.

**27. Controlling party**

The immediate parent undertaking is Ellington Holdings Limited, a company incorporated in England and Wales.

The ultimate holding company is Maffleck Holdings Limited, a company incorporated in England and Wales. Maffleck Holdings Limited has prepared consolidated financial statements, and these can be obtained from Companies House.

The ultimate controlling party is Brian Duffy.

