

Company registration number 04561671 (England and Wales)

**MACHINWORKS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**  
**PAGES FOR FILING WITH REGISTRAR**

# **MACHINWORKS LIMITED**

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# MACHINWORKS LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		114,327		89,512
<b>Current assets</b>					
Debtors	6	808,079		998,706	
Cash at bank and in hand		4,853,544		5,277,936	
		<u>5,661,623</u>		<u>6,276,642</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(649,237)</u>		<u>(571,235)</u>	
<b>Net current assets</b>			5,012,386		5,705,407
<b>Total assets less current liabilities</b>			5,126,713		5,794,919
<b>Provisions for liabilities</b>			(11,087)		-
<b>Net assets</b>			<u>5,115,626</u>		<u>5,794,919</u>
<b>Capital and reserves</b>					
Called up share capital			99,968		99,968
Share premium account			247,376		247,376
Profit and loss reserves			<u>4,768,282</u>		<u>5,447,575</u>
<b>Total equity</b>			<u>5,115,626</u>		<u>5,794,919</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 1 February 2024 and are signed on its behalf by:

.....  
Dr F Lin  
**Director**

Company registration number 04561671 (England and Wales)

# MACHINeworks LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 January 2022</b>	99,968	247,376	4,844,345	5,191,689
<b>Year ended 31 December 2022:</b>				
Profit and total comprehensive income	-	-	2,603,230	2,603,230
Dividends	-	-	(2,000,000)	(2,000,000)
<b>Balance at 31 December 2022</b>	99,968	247,376	5,447,575	5,794,919
<b>Year ended 31 December 2023:</b>				
Profit and total comprehensive income	-	-	2,320,707	2,320,707
Dividends	-	-	(3,000,000)	(3,000,000)
<b>Balance at 31 December 2023</b>	99,968	247,376	4,768,282	5,115,626

# MACHINWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Company information

Machineworks Limited is a private company limited by shares incorporated in England and Wales. The registered office is Rutledge House, 78 Clarkehouse Road, Sheffield, Yorkshire, S10 2LJ.

#### 1.1 Accounting convention

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

This 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:

- 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: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Westec Holding Company Limited. These consolidated financial statements are available from its registered office, 200 London Road, Burgess Hill, West Sussex, RH15 9RD.

#### 1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they has adopted the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Income that is contingent on events outside the control of the company is recognised when income receivable becomes certain and can be measured reliably.

#### 1.4 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:

Fixtures, fittings & equipment	6-10 years straight line
Computer equipment	3 years straight line

# MACHINWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies (Continued)

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 credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of 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.

#### 1.6 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.

#### 1.7 Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

# MACHINWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

### 1.8 Equity instruments

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

### 1.9 Derivatives

Derivatives at group level are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.10 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 income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

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.

### 1.11 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.

# MACHINWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies (Continued)

#### 1.12 Retirement benefits

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

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

#### *Accrued Income*

### 3 Employees

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

	2023 Number	2022 Number
Total	28	27

### 4 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	694,000	539,000
Adjustments in respect of prior periods	(57,339)	(53,228)
Total current tax	636,661	485,772

# MACHINWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4	Taxation	(Continued)	
		2023	2022
		£	£
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	11,087	-
		<u>11,087</u>	<u>-</u>
	Total tax charge	<u>647,748</u>	<u>485,772</u>
		<u>647,748</u>	<u>485,772</u>
5	Tangible fixed assets	Plant and machinery etc	
		£	
	<b>Cost</b>		
	At 1 January 2023		643,960
	Additions		101,073
	Disposals		(11,697)
			<u>733,336</u>
	At 31 December 2023		<u>733,336</u>
	<b>Depreciation and impairment</b>		
	At 1 January 2023		554,448
	Depreciation charged in the year		76,258
	Eliminated in respect of disposals		(11,697)
			<u>619,009</u>
	At 31 December 2023		<u>619,009</u>
	<b>Carrying amount</b>		
	At 31 December 2023		<u>114,327</u>
			<u>114,327</u>
	At 31 December 2022		<u>89,512</u>
			<u>89,512</u>
6	Debtors	2023	2022
		£	£
	<b>Amounts falling due within one year:</b>		
	Trade debtors	217,050	269,530
	Other debtors	3,891	-
	Prepayments and accrued income	587,138	729,176
		<u>808,079</u>	<u>998,706</u>
		<u>808,079</u>	<u>998,706</u>

# MACHINWORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,654	5,126
Corporation tax	394,000	334,141
Other taxation and social security	47,310	46,641
Accruals and deferred income	206,273	185,327
	<u>649,237</u>	<u>571,235</u>

### 8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	John Warner FCA
Statutory Auditor:	Friend-James Limited
Date of audit report:	1 February 2024

### 9 Operating lease commitments

#### Lessee

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

	2023	2022
	£	£
	<u>454,147</u>	<u>597,945</u>

### 10 Related party transactions

#### Transactions with related parties

The company has taken advantage of the exemption available whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Group company transactions not included within the UK Group are disclosed in the UK Consolidated Financial Statements.

## **MACHINEWORKS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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#### **11 Parent company**

The immediate parent company is Westec Holding Company Limited, a company registered in England and Wales, which is ultimately owned by Dr Johannes Heidenhain- Stiftung GmbH, a company registered in Germany.

Westec Holding Company Limited, registered office 200 London Road, Burgess Hill, West Sussex RH15 9RD, prepares group financial statements.

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.