

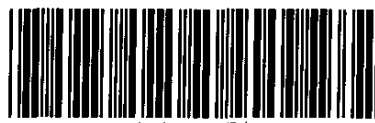
Schuler Presses UK Limited

**Annual report and financial
statements**

Registered number 3834455

For the year ended 31 December 2022

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Company Information

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|---------------------------|--|
| DIRECTORS: | P Dawson T Haegele |
| SECRETARY: | M Bridges |
| REGISTERED OFFICE: | Quayside Drive Off Brineton Street Walsall West Midlands WS2 9LA United Kingdom |
| REGISTERED NUMBER: | 03834455 (England and Wales) |
| AUDITOR: | Azets Audit Services Limited Chartered Accountants and Statutory Auditor Triune Court Monks Cross Drive Huntington YO32 9GZ United Kingdom |

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Strategic report

Principal activity

The principal business activities of the company are the provision of after sales services, refurbishment and spare parts to the end users of hydraulic and mechanical power presses, the supply of new power presses, die casting machines and associated ancillary equipment through its operations in the UK.

Business review

The directors are aware of the slowdown in the market but continue to monitor the continued economic challenges that face the business and its effect on its financial performance for the reported trading period.

The company has reported a decrease in turnover in the current period of £738,379 but observed an increase in our gross profit to 38% (*year ended 31 December 2021: 34%*). This is due to the mix of business we have concluded this year; where some areas of turnover have started to recover following the Covid-19 pandemic and localised shutdowns, other areas have suffered due to completion of postponed projects from 2020, with overall external customer turnover dropping by 15%. We have continued to supplement turnover by supporting our German sister company on a press installation project in the UK.

The company has achieved a slight increase in its monthly overheads due to inflationary increase of around 3%, but have offset this increase by retaining a stable cost base compared to previous years. In comparison to the previous year the company report a reduced profit for the year, of £371,283 before taxation, (*year ending 31 December 2021: £506,669*) due to the decreased in turnover.

The company continues to observe the changes in customer spending patterns as in previous years. Customers had been focused on complete refurbishments, upgrades and preventative major repairs, thus increasing the life of their production equipment. These customers are now preceding to carry out ongoing preventative maintenance and smaller enhancements, this leads itself to lower sales volumes but with increased margins. This was furthermore confirmed in the values of orders secured during the reporting period outperforming the previous year and the increased order book value at the end of the reporting period.

The company reported net assets at the period end of £3,107,952 (*period ended 31 December 2021: £3,459,928*) which included a decrease in the cash balance to £2,859,453 compared to the prior year end (*31 December 2021: 3,866,115*).

With continual improvements and actions in all areas of the UK operation, the volume of customer activity during 2022, alongside the order book of £1,663,763 at the end of the year (*period ended 31 December 2021: £1,503,059*), the directors are optimistic that despite the changes in the market the company will remain profitable in future years.

Risks

Brexit risk

The company continues to deal with the challenging and uncertain task of dealing with Brexit legislation and procedures. Implications on the customer base and the basis of our future relationship with EU member countries continue to be hard to predict. Supplies and services from EU member states contribute roughly 30% - 40% of the imported bill of materials, so any change in legislation or the relationship could have a significant impact on running business for the company.

The company continues to focus on preparing its supply chain to prevent any disruption to the business trade.

Communications are ongoing with all suppliers; with them all being informed about customs and excise requirements to ensure the smooth operation of the EU-UK trade and co-operation agreement announced in late 2020.

Covid-19 risk

Whilst there have been no major implications of pandemic in the business year 2022. The company has returned to normal sickness policy following the removal of testing requirements by the government and has treated Covid-19 as a regular sickness absence.

Strategic report (*continued*)

Credit risks

The company's financial assets are bank balances, trade and other debtors, which represent the maximum exposure to credit risk in relation to financial assets.

The company's credit risk is primarily attributable to its trade and other debtors. Credit risk is managed by monitoring new customers credit risks as soon as the offer phase begins. Existing customers are continually monitored for creditworthiness and payment behaviour is checked on a regular basis.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Foreign currency risks

Being a member of an international trading organisation, the company is exposed to certain foreign currency risks.

These risks are mitigated by limiting the trade to GBP, EUR or USD to our customer and supplier base. To further reduce exposure, where possible, currencies used to purchase goods or services are either passed direct to the customer or pricing is managed to reflect the possible negative currency movements.

Any significant foreign currency risks that are identified during the offer phase would be subject to the Schuler Group's currency hedging policy for forward contracts.

Approved by the board of directors and signed on its behalf by:

Philip Dawson

Philip Dawson
Director

28/09/2023
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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2022.

Dividends

The directors do not recommend the payment of a dividend for the period ending 31 December 2022. (*Year ended 31 December 2021: nil*).

A dividend totaling £750,000 was distributed in the period ending 31 December 2022 (*Year ended 31 December 2021: £nil*) as a result of the profit and loss account as at 31 December 2021.

Directors

The directors who served during the year were as follows:

P Dawson

T Haegele

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Azets Audit Services Limited, Statutory Auditors will therefore continue in office.

Approved by the board of directors and signed on its behalf by:

Philip Dawson

Philip Dawson
Director

Quayside Drive
Walsall
WS2 9LA

28/09/2023
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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Azets Audit Services Ltd, Statutory Auditors
Triune Court
Monks Cross Drive
York
YO32 9GZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHULER PRESSES (UK) LTD

Opinion

We have audited the financial statements of Schuler Presses UK Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHULER PRESSES (UK) LTD (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has 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 directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHULER PRESSES (UK) LTD (*continued*)

Extent to which the audit was capable of identifying 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;
- Reviewing minutes of meetings of those charged with governance;
- 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 company 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.
- Performing audit work over the timing and recognition of revenue and in particular whether it has been recorded in the correct accounting period.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the company's regulatory and legal correspondence. We discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation, pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising employment, environmental and health and safety legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the company to commit fraud. Our risk assessment procedures included: enquiry of directors to understand the high-level policies and procedures in place to prevent and detect fraud, reading Board minutes and *considering performance targets and incentive schemes in place for management*. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures, we identified the greatest potential for fraud in the following areas:

- revenue recognition and in particular the risk that revenue is recorded in the wrong period; and
- subjective accounting estimates.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHULER PRESSES (UK) LTD (*continued*)

Extent to which the audit was capable of identifying irregularities, including fraud (*continued*)

Both risks arise due to a potential desire to present stronger results and enable management to benefit from enhanced incentives. As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the timing and recognition of income and, in particular, that it was appropriately recognised or deferred.

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.

Martin Davey

Martin Davey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited
Chartered Accountants
Statutory Auditor

28/09/2023
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Profit and loss account and other Comprehensive Income
for the year ended 31 December 2022

| | <i>Note</i> | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|--|-------------|--|--|
| Turnover | 2 | 4,798,544 | 5,536,923 |
| Cost of sales | | (2,997,330) | (3,667,865) |
| Gross profit | | 1,806,214 | 1,874,058 |
| Administrative expenses | | (1,456,671) | (1,407,682) |
| Operating profit | | 349,543 | 466,376 |
| Interest receivable and similar income | 7 | 23,183 | 42,339 |
| Interest payable and similar expense | 8 | (1,443) | (2,046) |
| Profit on ordinary activities before taxation | 3 | 371,283 | 506,669 |
| Tax on profit on ordinary activities | 9 | 26,741 | (94,516) |
| Profit for the financial year | | 398,024 | 412,153 |

There is no other comprehensive income either the current year or preceding year other than the results disclosed above.

All results arise from continuing operations.

The notes on pages 12 to 25 form part of these financial statements.

Balance sheet
at 31 December 2022

| | <i>Note</i> | 2022 | | 2021 | |
|--|-------------|--------------------|------------------|--------------------|-----------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | <i>10</i> | | 76,683 | | 129,560 |
| Current assets | | | | | |
| Stock | <i>11</i> | 332,289 | | 231,717 | |
| Debtors | <i>12</i> | 1,563,098 | | 2,336,630 | |
| Cash at bank | | 2,859,453 | | 3,866,115 | |
| | | <u>4,754,840</u> | | <u>6,434,462</u> | |
| Creditors: Amounts falling due within one year | <i>14</i> | (1,689,321) | | (3,023,533) | |
| Net current assets | | | 3,065,519 | | 3,410,929 |
| Total assets less current liabilities | | | 3,142,202 | | 3,540,489 |
| Creditors: Amounts falling due after more than one year | <i>15</i> | | (19,250) | | (65,561) |
| Provisions for liabilities and charges | <i>16</i> | | (15,000) | | (15,000) |
| Net assets | | | 3,107,952 | | 3,459,928 |
| Capital and reserves | | | | | |
| Called up share capital | <i>17</i> | | 620,000 | | 620,000 |
| Profit and loss account | | | 2,487,952 | | 2,839,928 |
| Shareholders' funds | | | 3,107,952 | | 3,459,928 |

These financial statements were approved by the board of directors on 28/09/2023 and signed on its behalf by:

Philip Dawson

Philip Dawson
Director

Company registered number: 3834455

The notes on pages 12 to 25 form an integral part of these financial statements.

Statement of changes in equity

| | Called up share capital £ | Profit and loss account £ | Total equity £ |
|---|---------------------------------|---------------------------------|-------------------|
| Balance at 1 January 2021 | 620,000 | 2,427,775 | 3,047,775 |
| Total comprehensive income for the year | | | |
| Profit | - | 412,153 | 412,153 |
| Other comprehensive income | - | - | - |
| | <u>-</u> | <u>412,153</u> | <u>412,153</u> |
| Total comprehensive income for the period | - | 412,153 | 412,153 |
| | <u>-</u> | <u>412,153</u> | <u>412,153</u> |
| Transactions with owners, recorded directly in equity | | | |
| Dividends paid | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Total contributions by and distributions to owners | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance at 31 December 2021 | 620,000 | 2,839,928 | 3,459,928 |
| | <u>620,000</u> | <u>2,839,928</u> | <u>3,459,928</u> |
| Balance at 1 January 2022 | 620,000 | 2,839,928 | 3,459,928 |
| | <u>620,000</u> | <u>2,839,928</u> | <u>3,459,928</u> |
| Total comprehensive income for the year | | | |
| Profit | - | 398,024 | 398,024 |
| Other comprehensive income | - | - | - |
| | <u>-</u> | <u>398,024</u> | <u>398,024</u> |
| Total comprehensive income for the period | - | 398,024 | 398,024 |
| | <u>-</u> | <u>398,024</u> | <u>398,024</u> |
| Transactions with owners, recorded directly in equity | | | |
| Dividends paid | - | (750,000) | (750,000) |
| | <u>-</u> | <u>(750,000)</u> | <u>(750,000)</u> |
| Total contributions by and distributions to owners | - | (750,000) | (750,000) |
| | <u>-</u> | <u>(750,000)</u> | <u>(750,000)</u> |
| Balance at 31 December 2022 | 620,000 | 2,487,952 | 3,107,952 |
| | <u>620,000</u> | <u>2,487,952</u> | <u>3,107,952</u> |

The notes on pages 12 to 25 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Schuler Presses UK Limited (the "Company") is a company incorporated and domiciled in the UK. The registered office is situated at Quayside Drive, Off Brineton Street, Walsall, West Midlands, WS2 9LA.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Andritz AG includes the Company in its consolidated financial statements. The consolidated financial statements of Andritz AG are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address given in note 21.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for tangible fixed assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the Consolidated Financial Statements of Andritz AG include the relevant disclosures, the Company has also taken the exemption under FRS 101 available in respect of certain disclosure required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

- i) The presentation currency of the financial statements is Pound Sterling (£)
- ii) The financial statements are rounded to the nearest £1

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 *Measurement convention*

The financial statements are prepared on the historical cost basis.

1.2 *Going concern*

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have completed a going concern assessment for the company, including the preparation of cashflow forecasts for the 12 months ending 31 December 2023. The directors regularly undertake a detailed review of its forecasted trading position to assess and where applicable revise the short to medium term prospects for its core revenue streams and continue to implement a process of cost controls and mitigation measures.

Notes (continued)

1 Accounting policies (continued)

The directors, after reviewing these forecasts, including changes arising and recovering from the result of the Covid-19 pandemic, are of the opinion that taking account of severe but plausible downsides, the company will have sufficient funds in the form of cash reserves to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

- Fixtures and fittings - 4 years
- Office equipment - 4 years
- Plant and machinery - 4 years
- Motor vehicles - 4 years
- Design archives - 10 years
- Leasehold improvements - over the life of the lease

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Notes (continued)

1 Accounting policies (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.8 Financial Liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or

Notes (continued)

1 Accounting policies (continued)

- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.9 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.10 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.11 Turnover

Long term contracts

The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. A provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less costs transferred to the profit and loss account, after deducting foreseeable losses and payments received on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Short term contracts

Turnover from short term contracts is recognised when the significant risks and rewards of the ownership of the goods or service has been passed to the buyer (usually on despatch of goods or on full completion of service), the turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes *(continued)*

1 Accounting policies *(continued)*

1.12 Expenses

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.13 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.14 Estimates and Assumptions by Management

In the preparation of the financial statements, management will be required to make certain estimates and assumptions in order to assess and evaluate the effects of uncertain future events. The estimates and assumptions are based on current knowledge of the management at the time of the financial reporting, and can have an impact on the reported amounts of assets and liabilities, income and expenses and any contingent liabilities for the reporting period.

Due to the fluctuating market and economic conditions, actual amounts may differ from the original estimates used. Where there is a change in the current knowledge or actual events deviate from our expectations, the underlying estimates and assumptions and, where appropriate, the carrying amount of the assets and liabilities affected are adjusted.

1.15 Leases (policy applicable from 1 January 2019)

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17.

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16.

Notes (continued)

1 Accounting policies (continued)

As a lessee

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Company accounts for each lease component separately from the non-lease components. The Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise,
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes (continued)

2 Turnover

Turnover represents amounts invoiced to customers (excluding VAT) in line with the principal activities of the company provided during the year and the amount recognised under long term contracts. Turnover can be analysed by geographical area as follows:

| | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|-------------------|--|--|
| UK | 3,703,628 | 4,301,497 |
| Europe | 1,064,008 | 1,234,108 |
| North America | 30,908 | 1,318 |
| Rest of the world | - | - |
| | 4,798,544 | 5,536,923 |

3 Notes to the profit and loss account

| | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|---|--|--|
| <i>Profit on ordinary activities before taxation is stated after charging/(crediting)</i> | | |
| Depreciation: | | |
| Owned assets | 8,236 | 11,764 |
| Right of use assets | 50,741 | 57,243 |
| Lease interest expense | 1,443 | 2,046 |
| Loss on disposal of fixed assets | - | - |
| Operating lease rentals: | | |
| Land and buildings (2018: IAS17) | 78,901 | 84,043 |
| Other Short-Term Lease (2018: IAS17) | 17,881 | 12,036 |
| <i>Auditor's remuneration:</i> | | |
| Audit of these financial statements | 19,500 | 17,300 |

4 Remuneration of directors

The remuneration of the directors was as follows:

| | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|-------------------------|--|--|
| Directors' emoluments | 151,562 | 151,432 |
| Directors pension costs | 4,821 | 4,750 |
| | 156,383 | 156,182 |

One director was remunerated by the company.

One director was remunerated by other Andritz AG group companies.

Note: The share of remuneration of the other directors in relation to their time on Schuler has not been shown as it is not considered a material part of their emoluments.

Notes (continued)

5 Dividends

| | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|----------------|--|--|
| Dividends paid | 750,000 | - |

6 Staff numbers and costs

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

| | Number of employees | |
|-------------------------------|--|--|
| | Year ended 31 December 2022 | Year ended 31 December 2021 |
| Design and service | 10 | 10 |
| Management and administration | 6 | 6 |
| Sales and marketing | 3 | 2 |
| | 19 | 18 |

The aggregate payroll costs of these persons were as follows:

| | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|-----------------------|--|--|
| Wages and salaries | 840,488 | 821,742 |
| Social security costs | 100,664 | 93,811 |
| Other pension costs | 30,179 | 28,586 |
| | 971,331 | 944,139 |

7 Interest receivable and similar income

| | Year ended 31 December 2021 £ | Year ended 31 December 2021 £ |
|---|--|--|
| Bank interest receivable | 16,082 | - |
| Other interest | 7,101 | 2,436 |
| Coronavirus Job Retention Scheme Income | - | 39,903 |
| | 23,183 | 42,339 |

Notes (continued)

8 Interest payable and similar expense

| | Year ended 31 December 2021 £ | Year ended 31 December 2021 £ |
|--------------------------|--|--|
| Leasing interest payable | 1,443 | 2,046 |
| Other | - | - |
| | 1,443 | 2,046 |

9 Taxation

(i) Total tax expense recognised in the profit and loss account

| | Year ended 31 December 2022 £ | | Year ended 31 December 2021 £ | |
|--|-------------------------------------|---|-------------------------------------|---|
| Current tax | | £ | | £ |
| Current tax on income for the year | 69,217 | | 97,281 | |
| Adjustments in respect of prior years | (97,367) | | 86 | |
| | (28,150) | | 97,367 | |
| Deferred tax (see note 13) | | | | |
| Origination and reversal of timing differences | 1,071 | | 180 | |
| Effect of law change | 338 | | (3,031) | |
| | 1,409 | | (2,851) | |
| Total Tax | (26,741) | | 94,516 | |

(ii) Factors affecting the charge for the current year

The effective current tax rate for the year is lower (*period ended 31 December 2021: Lower*) than the standard rate of corporation tax in the UK of 19% (*period ended 31 December 2021: 19%*).

The differences are explained below:

| | Year ended 31 December 2022 £ | Year ended 31 December 2021 £ |
|--|--|--|
| Profit for the year | 398,024 | 412,153 |
| Total Tax Expense | <u>(26,741)</u> | <u>94,516</u> |
| Profit excluding taxation | 371,283 | 506,669 |
| Tax at 19% (<i>period ended 31 December 2021: 19%</i>) | 70,544 | 96,267 |
| <i>Effects of</i> | | |
| Adjustment to tax charge in respect of previous periods | (97,367) | 86 |
| Expenses not deductible for tax purposes | 92 | 1,370 |
| Income not taxable | (348) | (176) |
| Tax rate changes | 338 | (3,031) |
| Effects of group relief/ other reliefs | - | - |
| Other | - | - |
| | (26,741) | 94,516 |

Notes *(continued)*

9 Taxation *(continued)*

(iii) Factors that may affect future current and total tax charges

An increase in the UK corporation tax rate from 19% to 25% (with effect from 1 April 2023) was substantively enacted on 24 May 2021, and the deferred tax liability has been calculated based on this rate. This will have a consequential effect on the company's future tax charge.

10 Tangible fixed assets

| | Leasehold improvements | Fixtures, fittings and office equipment | Plant and machinery | Motor vehicles | Design archives | Total |
|------------------------------------|---------------------------|--|------------------------|-------------------|--------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| Balance at 1 January 2022 | 109,863 | 105,778 | 111,238 | 162,746 | 580,000 | 1,069,625 |
| Additions | - | - | 6,100 | - | - | 6,100 |
| Disposals | - | - | - | - | - | - |
| Balance at 31 December 2022 | 109,863 | 105,778 | 117,338 | 162,746 | 580,000 | 1,075,725 |
| Depreciation | | | | | | |
| Balance at 1 January 2022 | 109,863 | 67,410 | 105,525 | 77,267 | 580,000 | 940,065 |
| Charged in year | - | 9,169 | 4,465 | 45,343 | - | 58,977 |
| Disposals | - | - | - | - | - | - |
| Balance at 31 December 2022 | 109,863 | 76,579 | 109,990 | 122,610 | 580,000 | 999,042 |
| Net book value | | | | | | |
| At 30 December 2021 | - | 38,368 | 5,713 | 85,479 | - | 129,560 |
| At 31 December 2022 | - | 29,199 | 7,348 | 40,136 | - | 76,683 |

Right-of-use assets

At 31 December 2022, property, plant and equipment includes right-of-use assets as follows:

| | Leasehold improvements | Fixtures, fittings and office equipment | Plant and machinery | Motor vehicles | Design archives | Total |
|----------------------------|---------------------------|--|------------------------|-------------------|--------------------|--------|
| | £ | £ | £ | £ | £ | £ |
| Right-of-use assets | | | | | | |
| At 31 December 2022 | - | 25,792 | - | 40,136 | - | 65,928 |

Notes *(continued)*

11 Stocks

| | 2022 | 2021 |
|-------------------------|---------|---------|
| | £ | £ |
| Raw materials and parts | 3,458 | 1,538 |
| Work in progress | 328,831 | 230,179 |
| | 332,289 | 231,717 |

12 Debtors

| | 2022 | 2021 |
|--------------------------------------|-----------|-----------|
| | £ | £ |
| Percentage of Completion receivables | - | 391,170 |
| Trade debtors | 1,198,133 | 1,364,196 |
| Amounts owed by group undertakings | 209,213 | 507,368 |
| Other debtors | 2,199 | 839 |
| Prepayments | 60,961 | 60,426 |
| Deferred tax asset (Note 13) | 11,222 | 12,631 |
| Corporation tax | 81,370 | - |
| | 1,563,098 | 2,336,630 |

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13 Deferred Taxation

| | Deferred taxation £ |
|---|---------------------------|
| At beginning of year | 12,631 |
| Charge to the profit and loss account for the year (see note 9) | (1,409) |
| At end of year | 11,222 |

The elements of the deferred tax asset are as follows:

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|--|-----------------------------------|-----------------------------------|
| | £ | £ |
| Difference between accumulated depreciation and capital allowances | 7,245 | 8,624 |
| Other timing differences | 3,977 | 4,007 |
| Deferred tax asset | 11,222 | 12,631 |

Notes (continued)

14 Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|------------------|-----------|
| Intercompany | - | 830,290 |
| Trade creditors | 151,830 | 202,118 |
| Amounts owed to group undertakings | 423,337 | 622,707 |
| Social security and other taxes | 132,089 | 392,469 |
| Corporation tax | - | 37,281 |
| Payments received in advance | 369,287 | 375,886 |
| Accruals | 566,467 | 512,212 |
| Lease Liabilities | 46,311 | 50,238 |
| Other Creditors | - | 332 |
| | 1,689,321 | 3,023,533 |

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Intercompany is the liability arising from the percentage of completion receivable within debtors.

Amounts owed to group undertakings is the trade credit owing on completed trade.

15 Creditors: Amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|-------------------|---------------|-----------|
| Lease Liabilities | 19,250 | 65,561 |
| | 19,250 | 92,520 |

16 Provision for liabilities and charges

| | Other provisions £ |
|------------------------------|-----------------------|
| At beginning and end of year | 15,000 |

Other provisions represent amounts due in respect of warranty claims, which are expected to be paid out in more than one year.

17 Share capital

| | 2022 £ | 2021 £ |
|--|----------------|-----------|
| <i>Allotted, called up and fully paid:</i> | | |
| 620,000 ordinary shares of £1 each | 620,000 | 620,000 |

18 Pension

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company and amounted to £30,179 (2021: £28,586). There were no outstanding or repaid contributions at either the beginning or end of the year.

Notes (continued)

19 Leases as a lessee

Right-of-use assets

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment (see note 10):

| | Leasehold improvements | Fixtures, fittings and office equipment | Motor vehicles | Total |
|------------------------------------|---------------------------|--|-------------------|---------------|
| | £ | £ | £ | £ |
| Balance at 1 January 2022 | - | 32,830 | 83,839 | 116,669 |
| Additions to right-of-use assets | - | - | - | - |
| Depreciation charge for the year | - | (7,038) | (43,703) | (50,741) |
| Disposals | - | - | - | - |
| Balance at 31 December 2022 | - | 25,792 | 40,136 | 65,928 |

The company leases its factory, a number of vehicles, large format printing equipment and photocopiers.

Amounts recognised in the profit and loss

The incremental borrowing rate ranges from 1.0540% - 1.7508% (2021: 1.0540% - 2.6273%)

The following amounts have been recognised in the profit and loss for which the company is a lessee

| | £ |
|--|---------------|
| 2022 – Leases under IFRS 16 | |
| Interest expense on lease liabilities | 1,443 |
| Expenses relating to leases of low-value assets accounted, excluding short-term leases of low-value assets | 1,328 |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities | 5,802 |
| Expenses relating to short-term leases | 11,601 |
| Total | 20,174 |

| | £ |
|--|---------------|
| 2021 – Leases under IFRS 16 | |
| Interest expense on lease liabilities | 2,046 |
| Expenses relating to leases of low-value assets accounted, excluding short-term leases of low-value assets | 1,554 |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities | 6,800 |
| Expenses relating to short-term leases | 5,346 |
| Total | 15,746 |

Maturity of Lease Liabilities at 31 December were as follows:

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|----------------|
| Due within one year | 46,311 | 50,238 |
| Due between one and five years | 19,250 | 65,561 |
| Due after more than five years | - | - |
| | 65,561 | 115,799 |

Notes *(continued)*

20 Related Party Transactions

The Company has taken advantage of the exemption available under paragraph 8(k) of FRS 101 not to disclose details of its transactions with other undertakings within the group of companies headed by Andritz AG Limited of which the Company is a member. Note 21 gives details of how to obtain a copy of the published financial statements of Andritz AG.

21 Parent undertaking

The company's immediate parent company at 31 December 2022 is Schuler Pressen GmbH, a company incorporated in Germany.

At 31 December 2022, the directors regard Andritz AG, a company incorporated in Austria, as the ultimate parent company. The largest group in which the results of the company are consolidated is that headed by Andritz AG. Copies of these financial statements may be obtained from:

Andritz AG
Stattegger Strasse 18
8045 Graz
Austria