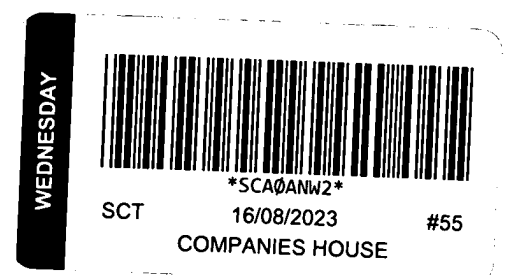


**CHARLES J. MARSHALL
(ABERDEEN) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**



CHARLES J. MARSHALL (ABERDEEN) LIMITED

COMPANY INFORMATION

Directors	C R Marshall A B Marshall
Registered number	SC064659
Registered office	Chapel Works Bucksburn Aberdeen AB21 9TL
Independent auditors	Anderson Anderson & Brown Audit LLP Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU

CHARLES J. MARSHALL (ABERDEEN) LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditors' report	4 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Analysis of net debt	12
Notes to the financial statements	13 - 24

CHARLES J. MARSHALL (ABERDEEN) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2022

Principal activities

The company's principal activity during the year continued to be the manufacture of agricultural machinery.

Business review

The directors are satisfied with the results for the year.

The company continues to expand geographically.

Principal risks and uncertainties

Outwith the general economic climate the main risks remain competition from similar businesses throughout the UK as well as the availability of materials for manufacture.

Financial key performance indicators

The directors consider turnover and gross profit to be the key performance indicators and these measures are continually monitored.

Future outlook

Looking ahead the directors are optimistic that the investment in new technology will lead to further client wins which will add to the company's results in 2022/2023.

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



C R Marshall
Director

Date: 13/6/23

CHARLES J. MARSHALL (ABERDEEN) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2022

The directors present their report and the financial statements for the year ended 30 November 2022.

Results and dividends

The profit for the year, after taxation, amounted to £1,383,090 (2021 - £784,711).

During the year the company paid £nil dividends (2021 - £nil).

Directors

The directors who served during the year were:

C R Marshall
A B Marshall

Future developments

Looking ahead the directors are optimistic that further client wins will add to the company's results in 2021/2022.

Disclosure of information to auditors

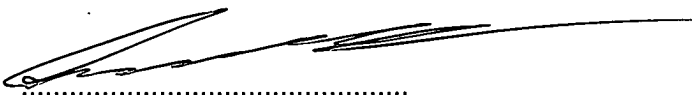
Post balance sheet events

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

Auditors

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....
C R Marshall
Director

Date: 13/6/23

CHARLES J. MARSHALL (ABERDEEN) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARLES J. MARSHALL (ABERDEEN) LIMITED

Opinion

We have audited the financial statements of Charles J. Marshall (Aberdeen) Limited (the 'company') for the year ended 30 November 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, 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 November 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 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.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARLES J. MARSHALL (ABERDEEN) LIMITED (CONTINUED)

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.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARLES J. MARSHALL (ABERDEEN) 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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets
- Timing and completeness of revenue recognition
- Existence and valuation of stock
- Management judgement applied in calculating provisions
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias
- Reviewing a sample of stock items to latest purchase invoice and attend year end stock count
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations

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

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

CHARLES J. MARSHALL (ABERDEEN) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHARLES J. MARSHALL (ABERDEEN) LIMITED (CONTINUED)**

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.

Anderson Anderson & Brown Audit LLP

Derek Mair (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date:

13 June 2023

CHARLES J. MARSHALL (ABERDEEN) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2022

	Note	2022 £	2021 £
Turnover	4	10,539,568	8,823,124
Cost of sales		(7,082,912)	(6,331,639)
Gross profit		<u>3,456,656</u>	<u>2,491,485</u>
Administrative expenses		(1,816,611)	(1,573,987)
Fair value movements		39,808	130,376
Operating profit	5	<u>1,679,853</u>	<u>1,047,874</u>
Interest receivable and similar income	9	8,999	3,794
Profit before tax		<u>1,688,852</u>	<u>1,051,668</u>
Tax on profit	10	(305,762)	(266,957)
Profit for the financial year		<u><u>1,383,090</u></u>	<u><u>784,711</u></u>

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 13 to 24 form part of these financial statements.

CHARLES J. MARSHALL (ABERDEEN) LIMITED
REGISTERED NUMBER: SC064659

BALANCE SHEET
AS AT 30 NOVEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	862,086	1,028,646
Investments	12	2,013,729	1,973,921
		<u>2,875,815</u>	<u>3,002,567</u>
Current assets			
Stocks	13	5,637,496	4,475,165
Debtors: amounts falling due after more than one year	14	388,978	344,058
Debtors: amounts falling due within one year	14	1,984,797	1,411,071
Cash at bank and in hand	15	3,575,151	3,564,092
		<u>11,586,422</u>	<u>9,794,386</u>
Creditors: amounts falling due within one year	16	(1,857,418)	(1,512,172)
Net current assets		<u>9,729,004</u>	<u>8,282,214</u>
Total assets less current liabilities		<u>12,604,819</u>	<u>11,284,781</u>
Provisions for liabilities			
Deferred tax	18	(227,223)	(290,275)
		<u>(227,223)</u>	<u>(290,275)</u>
Net assets		<u><u>12,377,596</u></u>	<u><u>10,994,506</u></u>
Capital and reserves			
Called up share capital	19	60,000	60,000
Capital redemption reserve		40,000	40,000
Profit and loss account		12,277,596	10,894,506
		<u>12,377,596</u>	<u>10,994,506</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



C R Marshall
Director

Date: 13/6/23

The notes on pages 13 to 24 form part of these financial statements.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 December 2020	60,000	40,000	10,109,795	10,209,795
Comprehensive income for the year				
Profit for the year	-	-	784,711	784,711
At 1 December 2021	60,000	40,000	10,894,506	10,994,506
Comprehensive income for the year				
Profit for the year	-	-	1,383,090	1,383,090
At 30 November 2022	60,000	40,000	12,277,596	12,377,596

The notes on pages 13 to 24 form part of these financial statements.

CHARLES J. MARSHALL (ABERDEEN) LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	1,383,090	784,711
Adjustments for:		
Depreciation of tangible assets	227,655	265,817
Loss on disposal of tangible assets	(4,000)	(24,500)
Interest received	(8,999)	(3,794)
Taxation charge	305,762	266,957
(Increase) in stocks	(1,162,331)	(768,292)
(Increase)/decrease in debtors	(648,990)	130,925
Decrease in amounts owed by associates	30,344	-
Increase/(decrease) in creditors	182,780	(497,588)
Increase/(decrease) in amounts owed to associates	-	(7,720)
Net fair value (gains) recognised in P&L	(39,808)	(130,376)
Corporation tax (paid)	(206,348)	(132,686)
Net cash generated from operating activities	<u>59,155</u>	<u>(116,546)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(61,095)	(243,963)
Sale of tangible fixed assets	4,000	24,500
Interest received	8,999	3,794
Net cash from investing activities	<u>(48,096)</u>	<u>(215,669)</u>
Net increase/(decrease) in cash and cash equivalents	<u>11,059</u>	<u>(332,215)</u>
Cash and cash equivalents at beginning of year	3,564,092	3,896,307
Cash and cash equivalents at the end of year	<u><u>3,575,151</u></u>	<u><u>3,564,092</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,575,151	3,564,092
	<u><u>3,575,151</u></u>	<u><u>3,564,092</u></u>

The notes on pages 13 to 24 form part of these financial statements.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

**ANALYSIS OF NET CASH
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	At 1 December 2021 £	Cash flows £	At 30 November 2022 £
Cash at bank and in hand	3,564,092	11,059	3,575,151
	<u>3,564,092</u>	<u>11,059</u>	<u>3,575,151</u>

The notes on pages 13 to 24 form part of these financial statements.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

1. General information

Charles J Marshall (Aberdeen) Limited is incorporated in the United Kingdom. The registered office is Chapel Works, Bucksburn, Aberdeen, AB21 9TL.

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 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 directors, having made due and careful enquiry, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operations existence for the foreseeable future.

As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

2. Accounting policies (continued)

2.4 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.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income in the period it is earned.

2.6 Pensions

The company contributes to 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 the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

2. Accounting policies (continued)

2.7 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 balance sheet 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 balance sheet 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 balance sheet date.

2.8 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Freehold property	- over 20 years
Land	- not depreciated
Plant & equipment	- 3 - 7 years
Motor vehicles	- 4 years
Tenants' improvements	- over remaining period of lease

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.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.9 Valuation of investments

Investments held as fixed assets are shown at valuation less provision for impairment.

2.10 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 weighted average basis.

Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

2.11 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.

2.12 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.

2.13 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

2. Accounting policies (continued)

2.14 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 non-puttable 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 transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

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

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the useful economic lives and residual values of the assets. Useful lives and residual values are reassessed annually. They are assessed where necessary to reflect current estimates based on economic utilisation and physical condition.

Stock valuation

The company makes an assessment on the recoverability of the cost of stock and whether any stock provision is required. When calculating the stock provision, management considers the nature and condition of stock as well as applying assumptions around anticipated future usage based on past experience.

4. Turnover

No analysis of turnover by geographical region is provided, as the directors believe doing so would seriously prejudice the company's interests.

5. Operating profit

The operating profit is stated after charging/(crediting):

	2022 £	2021 £
Exchange differences	(533)	4,168

6. Auditors' remuneration

During the year, the company obtained the following services from the company's auditors:

	2022 £	2021 £
Fees payable to the company's auditors for the audit of the company's financial statements	10,500	10,500

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

7. Employees

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

	2022 £	2021 £
Wages and salaries	2,206,618	2,059,737
Social security costs	228,114	197,582
Cost of defined contribution scheme	46,305	43,750
	<u>2,481,037</u>	<u>2,301,069</u>

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

	2022 No.	2021 No.
Management	2	3
Administration and sales	7	7
Operations	57	56
	<u>66</u>	<u>66</u>

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	<u>49,595</u>	<u>44,479</u>

During the year retirement benefits were accruing to 0 directors (2021 - 0)

No pension contributions were paid by the company in respect of the directors (2021 - 0)

9. Interest receivable

	2022 £	2021 £
Other interest receivable	<u>8,999</u>	<u>3,794</u>

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

10. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	368,814	206,348
Total current tax	<u>368,814</u>	<u>206,348</u>
Deferred tax		
Origination and reversal of timing differences	(47,920)	(11,917)
Effect of tax rate change on opening balances	(15,132)	72,526
Total deferred tax	<u>(63,052)</u>	<u>60,609</u>
Taxation on profit on ordinary activities	<u>305,762</u>	<u>266,957</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>1,688,852</u>	<u>1,051,668</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	320,882	199,817
Effects of:		
Expenses not deductible for tax purposes	1,757	984
Fixed asset differences	(1,744)	(3,510)
Remeasurement of deferred tax for changes in tax rates	(15,133)	69,666
Total tax charge for the year	<u>305,762</u>	<u>266,957</u>

Factors that may affect future tax charges

The deferred tax charge has been calculated based on the rate of 25% which is the rate decided on 14 October 2022. This will come into effect from 1 April 2023 onwards.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

11. Tangible fixed assets

	Freehold property £	Tenants improvement s £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 December 2021	38,274	797,402	2,703,276	747,936	4,286,888
Additions	-	-	30,595	30,500	61,095
Disposals	-	-	-	(60,500)	(60,500)
At 30 November 2022	<u>38,274</u>	<u>797,402</u>	<u>2,733,871</u>	<u>717,936</u>	<u>4,287,483</u>
Depreciation					
At 1 December 2021	26,074	754,298	1,881,531	596,339	3,258,242
Charge for the year on owned assets	-	4,046	176,554	47,055	227,655
Disposals	-	-	-	(60,500)	(60,500)
At 30 November 2022	<u>26,074</u>	<u>758,344</u>	<u>2,058,085</u>	<u>582,894</u>	<u>3,425,397</u>
Net book value					
At 30 November 2022	<u>12,200</u>	<u>39,058</u>	<u>675,786</u>	<u>135,042</u>	<u>862,086</u>
At 30 November 2021	<u>12,200</u>	<u>43,104</u>	<u>821,745</u>	<u>151,597</u>	<u>1,028,646</u>

Included in freehold property is land at a cost of £12,200 (2021 - £12,200) which is not depreciated.

12. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 December 2021	1,973,921
Revaluations	39,808
At 30 November 2022	<u>2,013,729</u>

Investment relates to amounts held in an offshore bond. This is included at fair value under FRS 102.

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

13. Stocks

	2022 £	2021 £
Raw materials and consumables	4,711,997	3,941,136
Work in progress	329,386	302,235
Finished goods and goods for resale	596,113	231,794
	<u>5,637,496</u>	<u>4,475,165</u>

14. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	<u>388,978</u>	<u>344,058</u>

	2022 £	2021 £
Due within one year		
Trade debtors	1,848,367	1,336,527
Amounts owed by related parties	-	30,344
Other debtors	136,430	44,200
	<u>1,984,797</u>	<u>1,411,071</u>

15. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>3,575,151</u>	<u>3,564,092</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	246,232	2,167
Corporation tax	368,814	206,348
Other taxation and social security	226,826	103,002
Other creditors	1,015,546	1,200,655
	<u>1,857,418</u>	<u>1,512,172</u>

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

17. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through profit or loss	3,575,151	3,564,092
Financial assets that are debt instruments measured at amortised cost	2,323,235	1,755,129
	<u>5,898,386</u>	<u>5,319,221</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(246,235)</u>	<u>(188,653)</u>

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

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and amounts owed by related parties.

Financial liabilities measured at amortised cost comprise of trade creditors and other creditors.

18. Deferred taxation

	2022 £	2021 £
At beginning of year	(290,275)	(229,666)
Charged to profit or loss	63,052	(60,609)
At end of year	<u>(227,223)</u>	<u>(290,275)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	176,861	223,125
Short term timing differences	50,362	67,150
	<u>227,223</u>	<u>290,275</u>

19. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
60,000 (2021 - 60,000) Ordinary shares of £1.00 each	<u>60,000</u>	<u>60,000</u>

CHARLES J. MARSHALL (ABERDEEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

20. Related party transactions

Control

Throughout the year the company was controlled by the directors.

Transactions

During the year the company had the following transactions with the related parties:

Related Party	Transaction	Amount	Balance at year end £
Director	Loan	(1,012)	(1,015,180)
Company where director's brother is a director	Sales	215,137	43,819

The director's loan balance does not have set repayment terms. The maximum amount outstanding during the year was £1,015,180.

Key management personnel

Those who have authority and responsibility for planning, directing and controlling the activities of a company are considered key management personnel. There are no such personnel other than the company's director whose remuneration is already disclosed at note 8.