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**RLC (UK) LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**



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**RLC (UK) LIMITED**

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**COMPANY INFORMATION**

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|----------------------------|---|
| <b>Directors</b>           | S C Holt<br>S D McCaslin<br>G W Davies<br>G Wesson<br>C J Copland   |
| <b>Company secretary</b>   | S A Major   |
| <b>Registered number</b>   | 01195730  |
| <b>Registered office</b>   | Metcalf Drive<br>Altham<br>Accrington<br>BB5 5AY  |
| <b>Independent auditor</b> | Grant Thornton UK LLP<br>Chartered Accountants & Statutory Auditor<br>17th Floor<br>103 Colmore Row<br>Birmingham<br>B3 3AG |

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**RLC (UK) LIMITED**

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## RLC (UK) LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2025

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The Directors present the Strategic Report together with the Directors' Report and the audited financial statements of RLC (UK) Limited ("the Company") for the year ended 30 June 2025.

#### **Business overview**

The Company is a world class provider of components, services and technology to the civil and military aerospace industry. The Company has operating facilities in Lancashire and Northern Ireland. The Company has a clear strategy with the aim of creating long term value and sustainable shareholder return. The Company seeks to preserve and enhance its strategic position by driving industry leading quality and delivery performance, developing its technological capability and engineering resource and collaborating with key customers and suppliers. This is achieved by:

- Long Term Agreements with its customers in both the civil and military markets, which is the norm in the industry.
- A prominent position on military aircraft, dominated by the F 35 Joint Strike Fighter titanium fuselage components and titanium fan blades; and
- A strong position on civil aircraft with world leading capabilities in the provision of low pressure blisks / integrally bladed rotors, structural guide vanes, titanium detail structures used in the fabrication of hollow wide chord fan blades, outlet guide vane panels and annulus fillers.

#### **Key business highlights**

Revenue from civil engine components has continued to increase due to new aircraft production volume and flying hours which has been led by narrow body and to a lesser extent in widebody. The Company has seen some limits on the pace of recovery due to well publicised industry wide constraints particularly raw material such as Titanium forgings though this constraint started to ease for the Company towards the end of the year. Broader supply constraints however continue to limit overall aerospace growth and can have a consequential impact on the Company as OEMs periodically adjust demand in line with the overall supply chain constraint. We continue to see strong growth for future Geared TurboFan powered aircraft production as well as a fast growth in overhaul as the fleet grows. The Company is taking a prudent view against the rate of growth while insuring it can meet customer demand.

We have LTA's in place with all our customers which have expiry periods stretching out to 2033. Demand for military components remains strong as we have a strong position on F35 Platform.

External economic factors have made for a more difficult business environment during the year including changes to National Insurance. Whilst Management aim to mitigate the impact to the Company as much as possible, the Company is not immune to these challenges. Geo-political driven inflation continues to impact the cost base with UK inflation currently above comparable nations.

The Company continued to support fully its development programmes throughout the year for current and future customer production requirements with an emphasis on investment and engineering.

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**RLC (UK) LIMITED**


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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**


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**Key performance indicators**

Performance indicators are used consistently throughout the Company's operating facilities and are used to measure the relative performance and development. The key indicators are considered to be:

|  | <b>2025</b>    | <b>2024</b> |
|--|----------------|-------------|
|  | <b>£000</b>    | <b>£000</b> |
| Turnover   | <b>134,376</b> | 119,332     |
| Underlying Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA)* | <b>15,629</b>  | 11,316      |
| Reported Profit / (Loss) Before Taxation (PBT)   | <b>5,641</b>   | (2,317)     |
| Net assets   | <b>23,415</b>  | 18,669      |

The positive PBT of £5,641k for the year ended June 2025 was driven by the increased volume associated with customer programmes, together with benefits on currency hedging in the dollar denominated contracts. \*EBITDA has been calculated as: Operating profit - £8,463k + depreciation & amortisation charge of £7,166k = £15,629k.

**Directors' statement of compliance with duty to promote the success of the Company**

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties which are detailed in section 172 of the Companies Act 2006. These duties include a duty by the Directors of the Company to act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision making.

In support of the wider Aerospace and Defence industry focus on broader sustainability issues, the Company was reaccredited to Ecovadis Silver for the 4th year in a row which places it in the top 15% of comparable companies across a range of ESG metrics. This external validation is used to support Directors' decision making from a broader stakeholder perspective under the Companies Act 2006 and has helped identify areas of further investment and improvement. We very much take a proactive sustainability approach and are engaged in preparing for any future reporting requirements the UK adopts as evidenced by the additional accreditation to ISO45001 health and safety management system, ISO50001 Energy Management System and the extended scope of our ISO14001 Environmental Management System across both sites.

As part of their induction, Directors are briefed on their duties as required and they can access professional advice on these, either through the Company or, if they judge it necessary, from an independent provider. It is important to acknowledge that the Directors fulfil their duties partly through a governance framework that delegates day to day decision making to Senior Management of the Company.

**Principal risks and uncertainties**

Risk management is an important function at Board and senior executive level and the Company continues to develop and improve its risk assessment and processes to ensure that they become embedded in the way the Company works at all levels.

The Company continues to proactively manage "Cyber threats" with third-party specialist support to ensure a robust strategy for current and future threats. The Company now holds ISO27001 and Cyber Essentials Plus providing further external validation of the resilience of our IT systems.

A principal risk is associated with uncertainty of customer demand. We remain very close to our customers and suppliers to get the best insights possible to anticipate increases or reductions in volume.

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**RLC (UK) LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**

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**Principal risks and uncertainties (continued)**

Internally, achieving customer required ramp up rates remains a key risk, this is further amplified by supply chain uncertainties.

Foreign exchange risk with two of our major customers having dollar denominated contracts remains a principal risk. In the short to medium term, this risk is managed by the Company's Foreign Exchange hedging policy.

Business continuity risks internally and in the supply chain are identified and addressed on a risk basis, especially single points of failure where targeted investments have been made on case by case basis.

**Governance**

The Company is part of a privately owned group of companies and the ultimate parent company RLC Engineering Group Limited ("the group") is committed to upholding the highest standards of business conduct and ethical behaviour, together with public company standards of corporate governance.

We have assessed the relevance of the guidelines set out in the UK Corporate Governance Code, the Corporate Governance Guidance and Principles for Unlisted Companies published by the Institute of Directors, and the Wates governance principles, and have adopted these where relevant to our business and structure. We have elected to do this so that the highest of standards of governance are at the heart of everything we do.

The Company sets these high standards through its suite of policies and procedures including its Ethics and Business Conduct policy and its Code of Conduct policy.

**Executive and management control**

The Company is held accountable by a UK Board comprised of three Directors, one of which was the Chairman and a further two Directors have been appointed post year end. There is a balanced breadth of experience on the Board. Strategy and planning are the responsibility of the Board and executed by the Managing Director. The senior executive leadership team, led by the Managing Director, is responsible for the day-to-day operations of the business.

**Future developments**

The Directors have positive expectations about the future of the Company whilst being mindful of external risks beyond our control in particular macroeconomics and geopolitical issues. Whilst the Company may be subject to short term demand fluctuations, it remains well positioned to benefit from the recovery in civil demand such as narrow body Geared Turbo Fan and the forecasts indicate that the positive trends will continue, while military demand is expected to remain strong and stable.

This report was approved by the Board of Directors on 12/12/2025 and signed on its behalf.

*Gareth Davies*

**G W Davies**  
Director

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**RLC (UK) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

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The Directors present their report and the financial statements for the year ended 30 June 2025 and subsequently.

**Principal activity**

The principal activity of the Company is the supply of precision manufacturing to the aerospace industry. The business is operated from two sites in Lancashire and one site in Northern Ireland.

**Results and dividends**

The profit for the year, after taxation amounted to £4,746,000 (2024: loss £3,595,000).

The Company did not pay an interim dividend in the year.

The Directors do not recommend the payment of a final dividend.

**Directors**

The Directors who served during the year and subsequently were:

S C Holt  
S D McCaslin  
G W Davies

G Wesson and C J Copland were appointed as Directors after the year ended on 1 July 2025 and 28 July 2025, respectively.

**Directors' Responsibilities Statement**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare financial statements which give a true and fair view of state of affairs and profit or loss of the Company for the period.

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**RLC (UK) LIMITED**


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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**


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**Directors' Responsibilities Statement (continued)**

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 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.

**Qualifying third party indemnity provisions**

The Company has provided qualifying indemnity provisions in respect of the board of Directors which were in force during the year and at the date of this report.

**Environmental matters**

The Company seeks to minimise adverse impacts on the environment from its activities, whilst continuing to maintain health and safety compliance. The Company is certified to ISO14001 Environmental Management System and has complied with all applicable legislation and regulations. In the last year it has also secured ISO50001 Energy Management System certification helping ensure we minimise our electrical and gas consumption. It is taking a proactive approach to reducing its carbon emissions and reducing avoidable waste.

**Streamlined Energy and Carbon Reporting (SECR)**

This report provides emissions disclosure and supporting data required by complying with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 ("the 2013 Regulations") and the Companies (Directors' Report) and Limited Liability Partnership (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations").

During the course of the year there has been continuing positive progress reducing energy consumption as the full year benefits of upgrading the Building Management System, replacing and refurbishing compressors and compressors control systems come into effect. These and other measures have improved energy intensity by 12% continuing the positive trend over recent years.

**Methodology**

The information reported below shall include the impact from all relevant activities where the Company exhibits financial and/or operational control. The Company shall use verifiable data where practicable, or through reasonable estimates derived through calculation based on verifiable data. The below data includes UK consumption of electricity, gas and transport fuels where the Company is directly responsible for such fuel usage (ie GHG scope 1 and 2).

The intensity ratio is calculated by dividing tonnes CO<sub>2</sub>e by the number of production hours, this being the metric that is most closely tied to the volume in production of the Company during the period. The Directors consider the below intensity ratio to be the most appropriate ratio as the primary business of the Company is the manufacture of precision components for the Aerospace industry.

|  | <b>2024/25</b>    | <b>2023/24</b>    |
|--|-------------------|-------------------|
| Total energy consumption used to calculate emissions (kWh) | <b>19,572,887</b> | <b>19,570,780</b> |
| Total carbon emissions (tonnes CO <sub>2</sub> e)          | <b>3,991</b>      | <b>3,971</b>      |
| Production hours ('000 hours)                              | <b>1,035</b>      | <b>904</b>        |
| Intensity ratio (kWh/machining hours)                      | <b>3.86</b>       | <b>4.39</b>       |

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**RLC (UK) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**

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**Financial risk management**

Certain trade debtors and trade creditors are denominated in US Dollars and certain trade creditors and capital creditors are denominated in Euros, although the Euro balances are smaller in size.

The Company's financial risk management objective is to seek to reduce its exposure to currency movements and to make neither a profit nor loss from the exposure to currency risk. The Company adopts, where necessary, an appropriate hedging policy where a natural hedge is not fully in place. These derivatives are accounted for on the Statement of Financial Position at fair value as required by the applicable accounting standards.

The Directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position on profit.

**Research and development**

The Company continues to invest in the latest technology and employee training to maximise the skill base and learning in order to safeguard employment and develop business capability for the future.

**Engagement with suppliers, customers and others**

**Customers**

A close working relationship with our customers helps us to better understand their needs in support of their key programmes and to provide suitable and reliable products and services to exacting quality standards. Our dedicated teams ensure we constantly improve our processes, providing confidence in the delivery of everything we do and ensuring that we meet our commitments. It is this employee experience, expertise, passionate engagement and engineering ambition that our customers seek.

**Suppliers**

The Company has a broad range of suppliers, ranging from the provision of materials for manufacture, any development and production to suppliers of IT, software and facilities. Our Company wide Ethics and Business Conduct policy helps us build on our reputation for and makes clear the high ethical standards to which we operate. Interaction with our suppliers and treating suppliers fairly allows us to drive higher standards and reduce risk in our supply chain whilst benefiting from cost efficiencies and positive environmental outcomes.

**Shareholders**

The ultimate parent company continues to support the Company. The Company provides information on its performance to the parent company and ultimate parent company in accordance with good corporate governance.

**Community**

Contributing to the wider society enables us to create stronger communities and have a positive environmental impact. The Company's approach to environmental and social matters is of high importance.

**Employees**

During the year we have made a significant investment in creating an engaged environment, informed by employee opinion surveys. This supports our continuous improvement activity which is central to our ongoing competitiveness and which we intend to accelerate in the year ahead. Consultation with employees and their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests (current and future). Communication with employees is through a variety of means including meetings, intranet, policies and procedures. The senior leaders are kept fully informed and engaged in the business through regular Senior Leadership Team meetings. Engaging with our employees enables us to create an inclusive culture and a positive working environment.

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**RLC (UK) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**

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**Disabled employees**

The Company's policy in relation to the employment of disabled persons is to give full consideration to job applications received from disabled persons. Candidates are appointed on the basis of their ability to perform the duties of the job. Where appropriate special training is given to facilitate engagement of the disabled and modifications to the job will be considered.

Where an employee becomes disabled whilst employed by the Company, arrangements will be made wherever possible and, if required, for re training in order that a different job may be performed within the Company.

**Matters covered in the Strategic Report**

The Company has elected to provide details of the business review, key performance indicators, future developments and principal risks and uncertainties in the Strategic Report.

**Going concern**

The Directors acknowledge that the Company had net current asset of £4.9m as at 30 June 2025 (*2024: net current liability of £7.3m*). This net current asset position has arisen primarily due to the utilisation of cash generated in the business to support substantial capital investment for new programmes. The net asset position remained robust at £23.4m (*2024: £18.7m*).

The forecast for December 2026 reflects a short-term demand reduction on two customer programmes leading to a reduction in operating cashflow. As a result Management have a plan to mitigate this impact.

The Directors consider that cashflows will be sufficient to meet the Company's financing repayments and committed capital investments. The Directors have also considered the potential risks to the business over that period and are confident in the Company's ability to withstand such occurrences. In the event of an unexpected adverse event, the Company has a number of options available including asset leasing, intra group borrowing and continued support from shareholders.

The Company maintains a strong relationship and accreditations with its customers as a key supplier in support of their major programmes.

After reviewing the Company's forecasts and projections, the Directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

**Subsequent events**

There have been no significant events affecting the Company since the year end, other than demand reduction referenced in the Going Concern section above.

**Disclosure of information to auditor**

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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**RLC (UK) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**

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**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 12/12/2025 and signed on its behalf.

*Gareth Davies*

**G W Davies**  
Director



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RLC (UK) LIMITED

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### Opinion

We have audited the financial statements of RLC (UK) Limited (the 'Company') for the year ended 30 June 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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 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 June 2025 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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

We are responsible for concluding on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the Directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as global trading matters and fluctuating interest rates, we assessed and challenged the reasonableness of estimates made by the Directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RLC (UK) LIMITED (CONTINUED)**

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**Conclusions relating to going concern (continued)**

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 and financial statements, other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information contained within the Annual Report and financial statements. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RLC (UK) LIMITED (CONTINUED)**

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**Matter on which we are required to report under the Companies Act 2006**

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.

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

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 pages 4 to 5, 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.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RLC (UK) LIMITED (CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 that are applicable to the Company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006).
- We communicated relevant laws and regulations and potential fraud risk to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations.
- We inquired of management and those charged with governance, concerning the Company's policies and procedures relating to the identification, evaluation and compliance with laws and regulations and the detection and response to the risks of fraud. We corroborated the results of our enquiries to all relevant documentation.
- Audit procedures performed by the engagement team included:
  - Evaluation of the controls established to address the risks related to irregularities and fraud;
  - Testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
  - Reviewing revenues with characteristics deemed to be of a higher risk;
  - Identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RLC (UK) LIMITED (CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - Knowledge of the industry in which the client operates;
  - Understanding of the legal and regulatory requirements specific to the Company including:
    - The provisions of the applicable legislation
    - The applicable statutory provisions.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The Company's operations, including the nature of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
  - The applicable statutory provisions;
  - The Company's control environment, including the policies and procedures implemented to comply with the requirements of its regulatory, the adequacy of procedures for authorisation of transactions, internal review procedures over the Company's compliance with regulatory requirements.

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

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.

*Peter Gamson*

Peter Gamson ACA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Birmingham  
Date: 12/12/2025

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**RLC (UK) LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2025**

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|   | Note | 2025<br>£000        | 2024<br>£000          |
|---|------|---------------------|-----------------------|
| Turnover                                    | 4    | 134,376             | 119,332               |
| Cost of sales                               |      | (115,491)           | (105,258)             |
| <b>Gross profit</b>                         |      | <u>18,885</u>       | <u>14,074</u>         |
| Operating expenses                          |      | (12,458)            | (14,151)              |
| Other operating income                      | 5    | 2,036               | 856                   |
| <b>Operating profit</b>                     | 6    | <u>8,463</u>        | <u>779</u>            |
| Interest receivable and similar income      | 10   | 19                  | 8                     |
| Interest payable and similar charges        | 11   | (2,841)             | (3,104)               |
| <b>Profit/(loss) before tax</b>             |      | <u>5,641</u>        | <u>(2,317)</u>        |
| Tax on profit/(loss)                        | 12   | (895)               | (1,278)               |
| <b>Profit/(loss) for the financial year</b> |      | <u><u>4,746</u></u> | <u><u>(3,595)</u></u> |

There was no other comprehensive income for 2025 (2024: £Nil).

The notes on pages 19 to 40 form part of these financial statements.

All amounts relate to continuing operations.

**RLC (UK) LIMITED**  
**REGISTERED NUMBER:01195730**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

|   | Note | 2025<br>£000  | 2024<br>£000   |
|---|------|---------------|----------------|
| <b>Fixed assets</b>                                   |      |               |                |
| Intangible assets                                     | 13   | 5,460         | 4,303          |
| Tangible assets                                       | 14   | 29,266        | 40,305         |
|   |      | <u>34,726</u> | <u>44,608</u>  |
| <b>Current assets</b>                                 |      |               |                |
| Stocks  | 15   | 19,007        | 18,768         |
| Debtors: amounts falling due after more than one year | 16   | 210           | -              |
| Debtors: amounts due within one year                  | 16   | 10,550        | 8,407          |
| Cash at bank and in hand                              |      | 12,491        | 2,081          |
|   |      | <u>42,258</u> | <u>29,256</u>  |
| Creditors: amounts due within one year                | 17   | (37,326)      | (36,587)       |
| <b>Net current assets/(liabilities)</b>               |      | <u>4,932</u>  | <u>(7,331)</u> |
| <b>Total assets less current liabilities</b>          |      | <u>39,658</u> | <u>37,277</u>  |
| Creditors: amounts due after more than one year       | 18   | (10,311)      | (13,483)       |
| <b>Provisions for liabilities</b>                     |      |               |                |
| Deferred tax  | 20   | (5,932)       | (5,125)        |
| <b>Net assets</b>                                     |      | <u>23,415</u> | <u>18,669</u>  |
| <b>Capital and reserves</b>                           |      |               |                |
| Called up share capital                               | 21   | 1,500         | 1,500          |
| Capital redemption reserve                            | 22   | 4,000         | 4,000          |
| Capital contribution reserve                          | 22   | 341           | 341            |
| Profit and loss account                               | 22   | 17,574        | 12,828         |
| <b>Total equity</b>                                   |      | <u>23,415</u> | <u>18,669</u>  |

The financial statements were approved and authorised for issue by the board of Directors and were signed on its behalf on 12/12/2025

*Gareth Davies*

**G W Davies**  
Director

The notes on pages 19 to 40 form part of these financial statements.

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**RLC (UK) LIMITED**


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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2025**


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|  | Called up<br>share capital | Capital<br>redemption<br>reserve | Capital<br>contribution<br>reserve | Profit and<br>loss account | Total equity   |
|--|----------------------------|----------------------------------|------------------------------------|----------------------------|----------------|
|  | £000                       | £000                             | £000                               | £000                       | £000           |
| <b>At 1 July 2023</b>                          | <b>1,500</b>               | <b>4,000</b>                     | <b>341</b>                         | <b>16,423</b>              | <b>22,264</b>  |
| <b>Comprehensive loss for the year</b>         |                            |                                  |                                    |                            |                |
| Loss for the year                              | -                          | -                                | -                                  | (3,595)                    | (3,595)        |
| <b>Total comprehensive loss for the year</b>   | <b>-</b>                   | <b>-</b>                         | <b>-</b>                           | <b>(3,595)</b>             | <b>(3,595)</b> |
| <b>At 1 July 2024</b>                          | <b>1,500</b>               | <b>4,000</b>                     | <b>341</b>                         | <b>12,828</b>              | <b>18,669</b>  |
| <b>Comprehensive income for the year</b>       |                            |                                  |                                    |                            |                |
| Profit for the year                            | -                          | -                                | -                                  | 4,746                      | 4,746          |
| <b>Total comprehensive income for the year</b> | <b>-</b>                   | <b>-</b>                         | <b>-</b>                           | <b>4,746</b>               | <b>4,746</b>   |
| <b>At 30 June 2025</b>                         | <b>1,500</b>               | <b>4,000</b>                     | <b>341</b>                         | <b>17,574</b>              | <b>23,415</b>  |

The notes on pages 19 to 40 form part of these financial statements.

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**RLC (UK) LIMITED**


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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2025**


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|   | 2025<br>£000  | 2024<br>£000   |
|---|---------------|----------------|
| <b>Cash flows from operating activities</b>               |               |                |
| Profit/(loss) for the financial year                      | 4,746         | (3,595)        |
| <b>Adjustments for:</b>                                   |               |                |
| Amortisation of intangible assets                         | 1,235         | 4,732          |
| Depreciation of tangible assets                           | 5,931         | 5,805          |
| Loss/(profit) on disposal of tangible fixed assets        | (458)         | 55             |
| Amortisation of government grants                         | (928)         | (200)          |
| Interest received   | (19)          | (8)            |
| Interest paid   | 2,841         | 3,104          |
| Taxation charge   | 895           | 1,278          |
| Increase in stocks  | (239)         | (5,003)        |
| Increase in debtors                                       | (2,391)       | (1,412)        |
| Increase in creditors                                     | 8,386         | 3,143          |
| (Decrease)/increase in amounts owed to group undertakings | (592)         | 743            |
| Increase/(decrease) in provisions                         | -             | (3,257)        |
| Receipt of government grants                              | -             | (78)           |
| Movement in derivative liability                          | (76)          | 767            |
| Foreign exchange movements                                | (1,231)       | 410            |
| <b>Net cash generated from operating activities</b>       | <b>18,100</b> | <b>6,484</b>   |
| <b>Cash flows from investing activities</b>               |               |                |
| Purchase of tangible fixed assets                         | (4,563)       | (3,178)        |
| Sale of tangible fixed assets (note 14)                   | 7,738         | -              |
| Interest received   | 19            | 8              |
| <b>Net cash from investing activities</b>                 | <b>3,194</b>  | <b>(3,170)</b> |

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**RLC (UK) LIMITED**

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**STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2025**

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|   | <b>2025</b>     | <b>2024</b>    |
|---|-----------------|----------------|
|   | <b>£000</b>     | <b>£000</b>    |
| <b>Cash flows from financing activities</b>                   |                 |                |
| Repayment of intercompany loans                               | (11,243)        | (555)          |
| New loans from group companies                                | 1,006           | 2,116          |
| Interest paid   | (2,841)         | (3,104)        |
| Receipt of government grants                                  | -               | 78             |
| Sale and leaseback proceeds                                   | 3,622           | -              |
| Repayment of sale and leaseback                               | (1,428)         | (2,009)        |
| <b>Net cash used in financing activities</b>                  | <b>(10,884)</b> | <b>(3,474)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents</b>   | <b>10,410</b>   | <b>(160)</b>   |
| Cash and cash equivalents at beginning of year                | 2,081           | 2,241          |
| <b>Cash and cash equivalents at the end of year</b>           | <b>12,491</b>   | <b>2,081</b>   |
| <b>Cash and cash equivalents at the end of year comprise:</b> |                 |                |
| Cash at bank and in hand                                      | <b>12,491</b>   | <b>2,081</b>   |

The notes on pages 19 to 40 form part of these financial statements.

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## RLC (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

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#### 1. General information

RLC (UK) Limited is a private company limited by shares and incorporated in England and Wales. Its registered number is 01195730 and its registered head office is located at Metcalf Drive, Altham, Accrington, BB5 5AY.

The business is operated from two sites in Lancashire and one site in Northern Ireland.

#### 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 judgement in applying the Company's accounting policies (see note 3).

The Company's functional and presentation currency is Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise stated.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The Directors acknowledge that the Company had net current asset of £4.9m as at 30 June 2025 (2024: net current liability of £7.3m). This net current asset position has arisen primarily due to the utilisation of cash generated in the business to support substantial capital investment for new programmes. The net asset position remained robust at £23.4m (2024: £18.7m).

The forecast for December 2026 reflects a short-term demand reduction on two customer programmes leading to a reduction in operating cashflow. As a result Management have a plan to mitigate this impact.

The Directors consider that cashflows will be sufficient to meet the Company's financing repayments and committed capital investments. The Directors have also considered the potential risks to the business over that period and are confident in the Company's ability to withstand such occurrences. In the event of an unexpected adverse event, the Company has a number of options available including asset leasing, intra group borrowing and continued support from shareholders.

The Company maintains a strong relationship and accreditations with its customers as a key supplier in support of their major programmes.

After reviewing the Company's forecasts and projections, the Directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**2. Accounting policies (continued)**

**2.3 Related party transactions**

The Company has taken advantage of the exemption granted under FRS 102 paragraph 1.12 (e) to not disclose transactions with other group companies where they are wholly owned by a common parent entity.

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP all values are rounded to the nearest thousand pounds (£000) except where otherwise stated.

**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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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RLC (UK) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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2. Accounting policies (continued)

2.5 Turnover

Turnover is comprised of the supply of precision manufacturing to the aerospace industry. 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.

Revenue is typically recognised upon despatch of the goods to the customer.

**Customer contributions**

Customer contributions made to facilitate fixed asset purchases are initially recognised as deferred income then released to revenue on a straight line basis over the life of the corresponding assets when the following conditions are met:

- The contribution is received specifically for the purpose of funding the acquisition of fixed assets;
- Those fixed assets are used solely to manufacture that customer's product;
- There is an expectation that the fixed assets will be used over a defined period of time, for example as specified in a Long Term Agreement ("LTA").

2.6 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 1 July 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

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RLC (UK) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**2. Accounting policies (continued)**

**2.7 Finance leases**

Assets held under finance leases, being leases which transfer to the Group substantially all the risks and rewards incidental to ownership, are capitalised at the commencement of the lease. Such assets are recorded at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is recognised in the Statement of Financial Position as a finance lease obligation. Lease payments are apportioned between finance charges and a reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the profit and loss account.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, unless there is reasonable certainty that the Company will obtain ownership by the end of the lease term.

**2.8 Sale and Leaseback (Lessee)**

**Sale and leaseback**

A sale and leaseback transaction involves the sale of an asset and the leasing back of the same asset. The accounting treatment of a sale and leaseback transaction depends on the classification of the resulting lease.

**Operating leaseback**

Where the transaction results in a leaseback classified as an operating lease, and it is clear that the transaction is established at fair value, any profit or loss (calculated as the difference between the sale proceeds and the carrying amount of the asset) is recognised immediately in the profit and loss account.

Subsequent lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

If the sale price is below fair value, any resulting loss is recognised immediately except to the extent that it is compensated by future lease payments at below-market price; in such cases, the loss is deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used.

**2.9 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**2. Accounting policies (continued)**

**2.10 Government grants**

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

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure. As this scheme involves a transfer of resources from government to the entity, it meets the definition of a government grant. The scheme is designed to compensate for staff costs, so amounts received are recognised in the income statement over the same period as the costs to which they relate.

**2.11 Pensions**

**Defined contribution pension plan**

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

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

**2.12 Interest income**

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

**2.13 Finance costs**

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

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**2. Accounting policies (continued)****2.14 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 Statement of Financial Position 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 Statement of Financial Position 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 Statement of Financial Position date.

**2.15 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Research and development - if a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Amortisation is charged to cost of sales in the profit and loss account. The assets are reviewed for impairment if factors indicate that the carrying amount may be impaired.

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the asset so that it will be available for use;
- management intends to complete the asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- the expenditure attributable to the asset during its development can be reliably measured.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**2. Accounting policies (continued)****2.15 Intangible assets (continued)**

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

**2.16 Tangible fixed assets**

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Plant and machinery and fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

|                     |                  |
|---------------------|------------------|
| Freehold property   | - 50 years       |
| Plant and machinery | - 12 to 20 years |
| Motor vehicles      | - 4 years        |
| Tooling             | - 4 to 20 years  |
| Office equipment    | - 5 years        |

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised as a profit/loss on disposal.

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.

**2.17 Inventories**

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**2. Accounting policies (continued)**

**2.18 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.

**2.19 Provisions for liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

**2.20 Financial instruments**

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument.

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

**Basic financial assets**

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other debtors due within the operating cycle fall into this category of financial instruments.

**Other financial assets**

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**2. Accounting policies (continued)**

**2.20 Financial instruments (continued)**

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**Financial liabilities**

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

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

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

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

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RLC (UK) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**2. Accounting policies (continued)**

**2.21 Foreign currency forward contracts**

The Company uses foreign currency forward contracts to manage its exposure to foreign currency fluctuations on its foreign currency sales and purchases. These derivatives are measured at fair value at each Statement of Financial Position date.

**3. Critical accounting judgements and estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in the financial statements, when, and if, better information is obtained.

Critical judgements and sources of estimation uncertainty that management have made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relate to the following:

**Estimates**

**Carrying value of fixed assets (Note 14)**

Tangible and intangible assets are recognised at cost, less accumulated depreciation, amortisation and any impairments. Amortisation and depreciation take place over the estimated useful life, down to the assessed residual value. The carrying amount of the Company's fixed assets is tested as soon as changed conditions show that a need for impairment may have arisen. This test uses discounted cash flows based on the latest long-term demand outlook provided by customers as at the Statement of Financial Position date.

**Judgements**

In the process of preparing the financial statements, no significant judgements were applied.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**4. Turnover**

The whole of the turnover is attributable to one class of business, being the supply of precision manufacturing to the aerospace industry.

Analysis of turnover by country of destination:

|                          | 2025<br>£000   | 2024<br>£000   |
|--------------------------|----------------|----------------|
| United Kingdom           | 28,127         | 24,464         |
| Rest of Europe           | 7,922          | 8,848          |
| Rest of the world        | 866            | 871            |
| United States of America | 97,461         | 85,149         |
|                          | <u>134,376</u> | <u>119,332</u> |

**5. Other operating income**

|   | 2025<br>£000 | 2024<br>£000 |
|---|--------------|--------------|
| Amortisation of government grants           | 928          | 200          |
| Government grants received                  | -            | 7            |
| Research and development expenditure credit | 650          | 457          |
| Other operating income                      | 458          | 192          |
|   | <u>2,036</u> | <u>856</u>   |

**6. Operating profit**

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

|  | 2025<br>£000  | 2024<br>£000  |
|--|---------------|---------------|
| Expenditure subject to government grants         | -             | 78            |
| Depreciation of tangible fixed assets            | 5,931         | 5,805         |
| Operating lease rentals                          | 1,019         | 937           |
| Foreign exchange differences                     | (281)         | (211)         |
| Amortisation of deferred development expenditure | 1,235         | 4,732         |
| Inventory recognised as an expense               | 71,817        | 64,687        |
|  | <u>71,817</u> | <u>64,687</u> |

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**7. Auditor's remuneration**

|   | <b>2025</b> | <b>2024</b> |
|---|-------------|-------------|
|   | <b>£000</b> | <b>£000</b> |
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | 147         | 138         |
| <b>Fees payable to the Company's auditor and its associates in respect of:</b>                                      |             |             |
| Accounting services   | 10          | 10          |
| Taxation compliance services  | 19          | 17          |
| R&D taxation claim advice   | 35          | 35          |
|   | 147         | 138         |

**8. Staff costs**

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

|   | <b>2025</b> | <b>2024</b> |
|---|-------------|-------------|
|   | <b>£000</b> | <b>£000</b> |
| Wages and salaries                            | 25,689      | 22,511      |
| Social security costs                         | 2,840       | 2,222       |
| Cost of defined contribution scheme (note 24) | 3,117       | 2,497       |
|   | 31,646      | 27,230      |

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

|                               | <b>2025</b> | <b>2024</b> |
|-------------------------------|-------------|-------------|
|                               | <b>No.</b>  | <b>No.</b>  |
| Management and administration | 40          | 30          |
| Production                    | 535         | 488         |
|                               | 575         | 518         |

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**9. Directors' remuneration**

|                       | <b>2025</b>       | <b>2024</b>       |
|-----------------------|-------------------|-------------------|
|                       | <b>£000</b>       | <b>£000</b>       |
| Directors' emoluments | <b>345</b>        | <b>342</b>        |
|                       | <u><u>345</u></u> | <u><u>342</u></u> |

Although there were multiple Directors during the year, only one Director received remuneration. The highest (and only) paid Director received remuneration of £345,000 (2024: £342,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £Nil (2024: £Nil). The number of Directors for which pension contributions were paid in the year was Nil (2024: Nil).

Key management personnel include all Directors (2024: all Directors) and several (2024: several) members of senior management. The total compensation paid to key management personnel was £1,926,000 (2024: £1,566,000).

**10. Interest receivable**

|                           | <b>2025</b>      | <b>2024</b>     |
|---------------------------|------------------|-----------------|
|                           | <b>£000</b>      | <b>£000</b>     |
| Other interest receivable | <b>19</b>        | <b>8</b>        |
|                           | <u><u>19</u></u> | <u><u>8</u></u> |

**11. Interest payable and similar charges**

|  | <b>2025</b>         | <b>2024</b>         |
|--|---------------------|---------------------|
|  | <b>£000</b>         | <b>£000</b>         |
| Interest payable to group undertakings     | <b>1,404</b>        | <b>1,629</b>        |
| Finance leases and hire purchase contracts | <b>187</b>          | <b>256</b>          |
| Other interest payable                     | <b>1,250</b>        | <b>1,219</b>        |
|  | <u><u>2,841</u></u> | <u><u>3,104</u></u> |

**RLC (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

**12. Taxation**

|  | 2025<br>£000 | 2024<br>£000 |
|--|--------------|--------------|
| <b>Corporation tax</b>                           |              |              |
| Current tax on profits for the year              | 171          | -            |
| Adjustments in respect of previous periods       | (83)         | -            |
|  | 88           | -            |
| <b>Total current tax</b>                         | 88           | -            |
| <b>Deferred tax</b>                              |              |              |
| Origination and reversal of timing differences   | 786          | 597          |
| Adjustments in respect of prior periods          | 21           | 681          |
|  | 807          | 1,278        |
| <b>Total deferred tax</b>                        | 807          | 1,278        |
| <b>Tax on profit/(loss)</b>                      | 895          | 1,278        |
| <b>Factors affecting tax charge for the year</b> |              |              |

The tax assessed for the year is lower than (2024: higher than) the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

|  | 2025<br>£000 | 2024<br>£000 |
|--|--------------|--------------|
| Profit/(loss) on ordinary activities before tax  | 5,641        | (2,317)      |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%) | 1,410        | (579)        |
| <b>Effects of:</b>   |              |              |
| Fixed asset differences  | 30           | 178          |
| Expenses not deductible for tax purposes   | 7            | 409          |
| R&D expenditure credits  | (913)        | (751)        |
| Adjustment to brought forward values   | (63)         | 364          |
| Group relief   | -            | 766          |
| Tax credits  | 485          | -            |
| Adjustments to tax charge in respect of previous periods - deferred tax  | 22           | 681          |
| Adjustments to tax charge in respect of previous periods   | (83)         | 210          |
| <b>Total tax charge for the year</b>   | 895          | 1,278        |

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**RLC (UK) LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**


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**13. Intangible assets**

|                                     | <b>Development<br/>costs<br/>£000</b> |
|-------------------------------------|---------------------------------------|
| <b>Cost</b>                         |                                       |
| At 1 July 2024                      | 15,669                                |
| At 30 June 2025                     | <u>15,669</u>                         |
| <b>Amortisation</b>                 |                                       |
| At 1 July 2024                      | 11,366                                |
| Charge for the year on owned assets | 1,235                                 |
| Classification adjustment           | (2,392)                               |
| At 30 June 2025                     | <u>10,209</u>                         |
| <b>Net book value</b>               |                                       |
| At 30 June 2025                     | <u>5,460</u>                          |
| At 30 June 2024                     | <u>4,303</u>                          |

Amortisation of intangible assets is recognised within operating expenses and in line with customer Long Term Agreements ("LTA").

The classification adjustment related to an impairment charge that was incorrectly included in intangible rather than tangible fixed assets.

## RLC (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

## 14. Tangible fixed assets

|  | Freehold<br>property<br>£000 | Plant and<br>machinery<br>£000 | Motor<br>vehicles<br>£000 | Office<br>equipment<br>£000 | Tooling<br>£000 | Total<br>£000 |
|--|------------------------------|--------------------------------|---------------------------|-----------------------------|-----------------|---------------|
| <b>Cost</b>                            |                              |                                |                           |                             |                 |               |
| At 1 July 2024                         | 8,692                        | 74,058                         | 27                        | 2,510                       | 8,422           | 93,709        |
| Additions                              | -                            | 3,688                          | -                         | 280                         | 595             | 4,563         |
| Disposals                              | (8,692)                      | (13)                           | -                         | (5)                         | -               | (8,710)       |
| At 30 June 2025                        | -                            | 77,733                         | 27                        | 2,785                       | 9,017           | 89,562        |
| <b>Depreciation</b>                    |                              |                                |                           |                             |                 |               |
| At 1 July 2024                         | 1,287                        | 43,209                         | 27                        | 2,220                       | 6,661           | 53,404        |
| Charge for the year on owned<br>assets | 126                          | 4,949                          | -                         | 112                         | 744             | 5,931         |
| Disposals                              | (1,413)                      | (13)                           | -                         | (5)                         | -               | (1,431)       |
| Classification adjustment              | -                            | 2,392                          | -                         | -                           | -               | 2,392         |
| At 30 June 2025                        | -                            | 50,537                         | 27                        | 2,327                       | 7,405           | 60,296        |
| <b>Net book value</b>                  |                              |                                |                           |                             |                 |               |
| At 30 June 2025                        | -                            | 27,196                         | -                         | 458                         | 1,612           | 29,266        |
| At 30 June 2024                        | 7,405                        | 30,849                         | -                         | 290                         | 1,761           | 40,305        |

Depreciation of tangible assets is recognised within cost of sales and operating expenses.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

|               | 2025<br>£000 | 2024<br>£000 |
|---------------|--------------|--------------|
| Leased assets | 7,783        | 9,639        |

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**15. Stocks**

|                                     | 2025<br>£000  | 2024<br>£000  |
|-------------------------------------|---------------|---------------|
| Raw materials and consumables       | 4,026         | 3,547         |
| Work in progress                    | 13,206        | 14,649        |
| Finished goods and goods for resale | 1,775         | 572           |
|                                     | <u>19,007</u> | <u>18,768</u> |

There is no significant difference between the replacement cost of work in progress and finished goods and goods for resale and their carrying amounts.

Stocks are stated after provisions for impairment of £4,042,000 (2024: £4,638,000).

**16. Debtors**

|                                     | 2025<br>£000         | 2024<br>£000         |
|-------------------------------------|----------------------|----------------------|
| <b>Due after more than one year</b> |                      |                      |
| Forward contract asset              | <u>210</u>           | <u>-</u>             |
|                                     | <b>2025<br/>£000</b> | <b>2024<br/>£000</b> |
| <b>Due within one year</b>          |                      |                      |
| Trade debtors                       | 5,459                | 5,650                |
| Amounts owed by group undertakings  | 15                   | 41                   |
| Prepayments and accrued income      | 3,371                | 2,712                |
| Forward contract asset              | 1,705                | 4                    |
|                                     | <u>10,550</u>        | <u>8,407</u>         |

Trade debtors are stated after provisions for impairment of £1,000 (2024: £1,000).

Amounts owed by group undertakings are unsecured, interest free and repayable on normal business terms.

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**RLC (UK) LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**


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**17. Creditors: amounts falling due within one year**

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>£000</b>   | <b>£000</b>   |
| Deferred grants   | 136           | 200           |
| Trade creditors   | 21,781        | 18,257        |
| Amounts owed to group undertakings                          | 4,232         | 10,872        |
| Corporation tax   | 786           | -             |
| Other taxation and social security                          | 591           | 337           |
| Obligations under finance lease and hire purchase contracts | 1,218         | 1,308         |
| Other creditors   | 1             | 250           |
| Accruals and deferred income                                | 8,581         | 5,363         |
|   | <u>37,326</u> | <u>36,587</u> |

Included within the amounts owed to group undertakings are two loans from the ultimate parent company which are secured by way of debenture and incur interest charges of 3% and 4% above base rate.

**18. Creditors: amounts falling due after more than one year**

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
|  | <b>£000</b>   | <b>£000</b>   |
| Deferred grants  | 571           | 1,435         |
| Net obligations under finance leases and hire purchase contracts | 3,586         | 1,302         |
| Forward contract liability                                       | -             | 80            |
| Amounts owed to group undertakings                               | 4,215         | 8,429         |
| Accruals and deferred income                                     | 1,939         | 2,237         |
|  | <u>10,311</u> | <u>13,483</u> |

Included within the amounts owed to group undertakings are two loans from the ultimate parent company which are secured by way of debenture and incur interest charges of 3% and 4% above base rate. The loan repayments made were £11,243,000 in 2024/25.

RLC (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

|                   | 2025<br>£000 | 2024<br>£000 |
|-------------------|--------------|--------------|
| Within one year   | 1,218        | 1,308        |
| Between 1-5 years | 3,586        | 1,302        |
|                   | <u>4,804</u> | <u>2,610</u> |

The net obligation under finance leases and hire purchase contracts are secured on the assets to which they related.

20. Deferred taxation

|                           | 2025<br>£000          | 2024<br>£000          |
|---------------------------|-----------------------|-----------------------|
| At beginning of year      | (5,125)               | (3,847)               |
| Charged to profit or loss | (807)                 | (1,278)               |
| <b>At end of year</b>     | <u><b>(5,932)</b></u> | <u><b>(5,125)</b></u> |

The provision for deferred taxation is made up as follows:

|                               | 2025<br>£000          | 2024<br>£000          |
|-------------------------------|-----------------------|-----------------------|
| Fixed asset differences       | (6,045)               | (5,566)               |
| Losses                        | -                     | 379                   |
| Short term timing differences | 113                   | 62                    |
|                               | <u><b>(5,932)</b></u> | <u><b>(5,125)</b></u> |

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**21. Share capital**

|  | <b>2025</b>         | <b>2024</b>         |
|--|---------------------|---------------------|
|  | <b>£000</b>         | <b>£000</b>         |
| <b>Allotted, called up and fully paid</b>              |                     |                     |
| 1,500,000 (2024: 1,500,000) Ordinary shares of £1 each | <b>1,500</b>        | <b>1,500</b>        |
|  | <u><u>1,500</u></u> | <u><u>1,500</u></u> |

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

**22. Reserves**

**Capital redemption reserve**

Contains the nominal value of own shares that have been acquired by the Company and cancelled.

**Capital contribution reserve**

The difference between the loans from the parent company and the fair value of the loans.

**Profit and loss account**

Represents cumulative profits and losses net of dividends paid and other adjustments.

## RLC (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

## 23. Analysis of net debt

|                                  | At 1<br>July<br>2024 | Cash<br>flows | New<br>Inter-<br>company<br>Loans | Interco<br>Loan<br>Payment | Interco<br>Loan<br>Ageing<br>reclassifi-<br>cation | New<br>Finance<br>Leases | Finance<br>Lease<br>Payments | Other<br>Non-<br>Cash<br>Changes | At 30<br>June<br>2025 |
|----------------------------------|----------------------|---------------|-----------------------------------|----------------------------|--|--------------------------|------------------------------|----------------------------------|-----------------------|
|                                  | £000                 | £000          | £000                              | £000                       | £000   | £000                     | £000                         | £000                             | £000                  |
| Cash at bank and in hand         | 2,081                | 18,453        | 1,006                             | (11,243)                   | -  | 3,622                    | (1,428)                      | -                                | 12,491                |
| Inter-company loans due < 1 year | (10,237)             | -             | (1,006)                           | 11,243                     | (4,232)  | -                        | -                            | -                                | (4,232)               |
| Inter-company loans due > 1 year | (8,430)              | -             | -                                 | -                          | 4,215  | -                        | -                            | -                                | (4,215)               |
| Finance Leases due < 1 year      | (1,308)              | -             | -                                 | -                          | -  | (3,622)                  | 1,428                        | 2,284                            | (1,218)               |
| Finance Leases due > 1 year      | (1,302)              | -             | -                                 | -                          | -  | -                        | -                            | (2,284)                          | (3,586)               |
|                                  | <u>(19,196)</u>      | <u>18,453</u> | <u>-</u>                          | <u>-</u>                   | <u>(17)</u>  | <u>-</u>                 | <u>-</u>                     | <u>-</u>                         | <u>(760)</u>          |

## 24. Pension commitments

The Company participates in a defined contribution pension scheme for the benefit of the employees.

The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the Company to the funds and amounted to £3,117,000 (2024: £2,497,000).

Contributions totalling £1,000 (2024: £251,000) were outstanding and payable to the funds at the Statement of Financial Position date and are included within other creditors.

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**RLC (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025**

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**25. Operating lease commitments**

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

|   | <b>2025</b>   | <b>2024</b>  |
|---|---------------|--------------|
|   | <b>£000</b>   | <b>£000</b>  |
| Not later than one year                           | 1,066         | 864          |
| Later than one year and not later than five years | 5,394         | 2,571        |
| Later than five years                             | 10,041        | 3,008        |
|   | <b>16,501</b> | <b>6,443</b> |

**26. Capital commitments**

Capital expenditure contracted but not provided for in the financial statements was £1,088,000 (2024: £5,078,000).

**27. Related party transactions**

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**28. Subsequent events**

There have been no significant events affecting the Company since the year end, other than demand reduction referenced in the Going Concern section above.

**29. Immediate and ultimate parent undertaking**

The immediate parent undertaking is RLC Aerospace Limited, a company registered in the Isle of Man. The ultimate parent undertaking is RLC Engineering Group Limited, a company registered in the Isle of Man with a registered address of 1st Floor Peregrine House, Peel Road, Douglas, Isle of Man, IM1 5EH. The largest and smallest group for which consolidated accounts are prepared is RLC Engineering Group Limited which is ultimately owned and controlled by the Trustees of the Jean Burrell Will Trust.