

SIL-MID LIMITED
Strategic Report, Report of the Director and
Audited Financial Statements
for the Year Ended 31 December 2021

Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

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for the Year Ended 31 December 2021**

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SIL-MID LIMITED

**Company Information
for the Year Ended 31 December 2021**

DIRECTOR: A D Nickson

REGISTERED OFFICE: Unit 1 & 2 Roman Park
Roman Way
Coleshill
Birmingham
West Midlands
B46 1HG

REGISTERED NUMBER: 01460851 (England and Wales)

AUDITORS: Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

**Strategic Report
for the Year Ended 31 December 2021**

The director presents his strategic report for the year ended 31 December 2021.

REVIEW OF BUSINESS

The company operates as a distributor of sealants and lubricants in the United Kingdom and overseas markets.

Despite the impact of the restrictions due to the global Covid-19 pandemic put in place by UK and other governments the company continued to trade well and achieved a profit after taxation for the financial year of £1,924,829 (2020 : £1,472,274).

PRINCIPAL RISKS AND UNCERTAINTIES

As for many businesses of our size, the aerospace business environment and the other markets in which we operate continues to be challenging. The company is exposed to risks within the markets it operates in and also the general business environment. Factors such as increased competition or loss of customers or suppliers would all affect the company's future performance and we continue to monitor these factors together with the effects of Covid-19 and Brexit. As demonstrated by the results for the current year we have taken steps to overcome these risks and will continue to minimise the risks wherever possible. With these risks and uncertainties in mind, we are aware that any plans for future development of the business may be subject to unforeseen future events outside our control.

DEVELOPMENT AND PERFORMANCE

The director is pleased with the profit achieved during the year despite the difficulties due to Covid-19 and will continue to develop all areas of the business.

KEY PERFORMANCE INDICATORS

The key performance indicators help the company to measure performance against our strategic priorities and business plan.

We consider our financial key performance indicators to be those ratios which communicate the financial performance of the company as a whole:

	2021	2020
Increase/(Decrease) in turnover	14.6%	(3.1%)
Increase/(Decrease) in operating profit	26.1%	(11.5%)
Increase/(Decrease) in gross profit	16.8%	(7.3%)

The key performance indicators show the company's continuing satisfactory performance.

ON BEHALF OF THE BOARD:

A D Nickson - Director

26 May 2022

**Report of the Director
for the Year Ended 31 December 2021**

The director presents his report with the financial statements of the company for the year ended 31 December 2021.

DIVIDENDS

Total dividends paid during the year ended 31 December 2021 were £7,600.

FUTURE DEVELOPMENTS

The global Covid-19 pandemic and the associated quarantines put in place by the UK and other governments present significant challenges to the aviation sector.

The director took steps to mitigate the impact of reduced aerospace activity and has ensured that the company has continued to make satisfactory progress based on its results to date. Therefore the company is in a position to progress as the aerospace activity increases as restrictions for the pandemic ease. Management put in several initiatives to mitigate disruption to supply due to Brexit. They will continue to monitor any on going impact of Brexit on imports and export sales.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

A D Nickson has held office during the whole of the period from 1 January 2021 to the date of this report.

Other changes in directors holding office are as follows:

Mrs J N Jarvis - resigned 2 March 2021

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Director
for the Year Ended 31 December 2021**

AUDITORS

The auditors, Eden Currie Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A D Nickson - Director

26 May 2022

**Report of the Independent Auditors to the Members of
Sil-Mid Limited**

Opinion

We have audited the financial statements of Sil-Mid Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Independent Auditors to the Members of
Sil-Mid Limited**

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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
Sil-Mid Limited**

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of turnover including analytical review and obtaining corroborated explanations from Management.

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

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

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 a Report of the Auditors 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.

Caroline Webb FCA (Senior Statutory Auditor)
for and on behalf of Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

26 May 2022

Income Statement
for the Year Ended 31 December 2021

	Notes	2021 £	£	2020 £	£
TURNOVER	4		21,842,756		19,058,017
Cost of sales			<u>15,878,618</u>		<u>13,952,072</u>
GROSS PROFIT			5,964,138		5,105,945
Distribution costs		19,019		16,790	
Administrative expenses		<u>3,656,838</u>		<u>3,293,714</u>	
			<u>3,675,857</u>		<u>3,310,504</u>
			2,288,281		1,795,441
Other operating income			-		18,808
OPERATING PROFIT	6		<u>2,288,281</u>		<u>1,814,249</u>
Interest receivable and similar income			86		7,205
			<u>2,288,367</u>		<u>1,821,454</u>
Interest payable and similar expenses	7		4,257		-
PROFIT BEFORE TAXATION			<u>2,284,110</u>		<u>1,821,454</u>
Tax on profit	8		359,281		349,180
PROFIT FOR THE FINANCIAL YEAR			<u>1,924,829</u>		<u>1,472,274</u>

The notes form part of these financial statements

**Other Comprehensive Income
for the Year Ended 31 December 2021**

Notes	2021 £	2020 £
PROFIT FOR THE YEAR	1,924,829	1,472,274
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>1,924,829</u>	<u>1,472,274</u>

The notes form part of these financial statements

Balance Sheet
31 December 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	10		374,226		416,979
CURRENT ASSETS					
Stocks	11	2,881,458		1,963,257	
Debtors	12	7,905,922		4,096,465	
Cash at bank		<u>1,607,479</u>		<u>3,531,642</u>	
		12,394,859		9,591,364	
CREDITORS					
Amounts falling due within one year	13	<u>3,947,278</u>		<u>3,114,534</u>	
NET CURRENT ASSETS			<u>8,447,581</u>		<u>6,476,830</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,821,807		6,893,809
PROVISIONS FOR LIABILITIES	15		<u>75,940</u>		<u>65,171</u>
NET ASSETS			<u>8,745,867</u>		<u>6,828,638</u>
CAPITAL AND RESERVES					
Share capital	16		5,000		5,000
Other reserves	17		5,000		5,000
Retained earnings	17		<u>8,735,867</u>		<u>6,818,638</u>
SHAREHOLDERS' FUNDS			<u>8,745,867</u>		<u>6,828,638</u>

The financial statements were approved by the director and authorised for issue on 26 May 2022 and were signed by:

A D Nickson - Director

**Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Share capital £	Retained earnings £	Other reserves £	Total equity £
Balance at 1 January 2020	5,000	6,594,064	5,000	6,604,064
Changes in equity				
Dividends	-	(1,247,700)	-	(1,247,700)
Total comprehensive income	-	1,472,274	-	1,472,274
Balance at 31 December 2020	<u>5,000</u>	<u>6,818,638</u>	<u>5,000</u>	<u>6,828,638</u>
Changes in equity				
Dividends	-	(7,600)	-	(7,600)
Total comprehensive income	-	1,924,829	-	1,924,829
Balance at 31 December 2021	<u>5,000</u>	<u>8,735,867</u>	<u>5,000</u>	<u>8,745,867</u>

**Cash Flow Statement
for the Year Ended 31 December 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	1,927,020	2,207,053
Interest paid		(4,257)	-
Tax paid		(423,736)	(554,844)
Net cash from operating activities		<u>1,499,027</u>	<u>1,652,209</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(55,401)	(14,708)
Interest received		86	7,205
Net cash from investing activities		<u>(55,315)</u>	<u>(7,503)</u>
Cash flows from financing activities			
Loan to Parent company		(3,360,275)	-
Equity dividends paid		(7,600)	(1,247,700)
Grant from government		-	18,808
Net cash from financing activities		<u>(3,367,875)</u>	<u>(1,228,892)</u>
(Decrease)/increase in cash and cash equivalents		<u>(1,924,163)</u>	<u>415,814</u>
Cash and cash equivalents at beginning of year	2	3,531,642	3,115,828
Cash and cash equivalents at end of year	2	<u>1,607,479</u>	<u>3,531,642</u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2021**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020
	£	£
Profit before taxation	2,284,110	1,821,454
Depreciation charges	98,154	121,425
Loss on disposal of fixed assets	-	2,266
Government grants	-	(18,808)
Finance costs	4,257	-
Finance income	(86)	(7,205)
	<u>2,386,435</u>	<u>1,919,132</u>
(Increase)/decrease in stocks	(918,201)	32,211
(Increase)/decrease in trade and other debtors	(449,182)	10,837
Increase in trade and other creditors	907,968	244,873
Cash generated from operations	<u><u>1,927,020</u></u>	<u><u>2,207,053</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	<u>1,607,479</u>	<u>3,531,642</u>

Year ended 31 December 2020

	31/12/20	1/1/20
	£	£
Cash and cash equivalents	<u><u>3,531,642</u></u>	<u><u>3,115,828</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21	Cash flow	At 31/12/21
	£	£	£
Net cash			
Cash at bank	<u>3,531,642</u>	<u>(1,924,163)</u>	<u>1,607,479</u>
	<u>3,531,642</u>	<u>(1,924,163)</u>	<u>1,607,479</u>
Total	<u><u>3,531,642</u></u>	<u><u>(1,924,163)</u></u>	<u><u>1,607,479</u></u>

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. STATUTORY INFORMATION

Sil-Mid Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

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 its parent undertaking.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. All turnover of the company is from sales of products at a point in time with the delivery of the product seen as the only performance obligation under the contract.

Turnover is recognised on delivery when control of the goods has passed to the buyer. Turnover is recorded net of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property alterations	- straight line over the life of the lease
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 33% on cost, 20% on cost and 15% on reducing balance

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Costs, which comprise direct production costs, are based on the method most appropriate to the type of inventory class, but usually first in, first out basis. Overheads are charged to profit and loss as incurred. Estimated selling price less costs to complete and sell is based on the estimated selling price of the goods less any estimated completion or selling costs likely to be incurred on the sale.

When stock is sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

3. **CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the value of assets and liabilities that are not readily apparent from other sources. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be relevant.

Stock provision - judgement

Due to the nature of the stock, the company writes off stock only once the expiry date is reached hence no provision is made at the year end based on the ageing of the stock held.

Notes to the Financial Statements - continued
for the Year Ended 31 December 20214. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2021 £	2020 £
United Kingdom	14,119,650	12,791,915
Foreign markets	7,723,106	6,266,102
	<u>21,842,756</u>	<u>19,058,017</u>

5. **EMPLOYEES AND DIRECTORS**

	2021 £	2020 £
Wages and salaries	2,082,461	1,809,038
Social security costs	204,146	177,929
Other pension costs	71,284	67,590
	<u>2,357,891</u>	<u>2,054,557</u>

The average number of employees during the year was as follows:

	2021	2020
Office and administrative	45	44
Warehouse operatives	13	12
	<u>58</u>	<u>56</u>

	2021 £	2020 £
Directors' remuneration	164,331	293,604
Directors' pension contributions to money purchase schemes	9,020	14,520
	<u>173,351</u>	<u>308,124</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>2</u>
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

6. OPERATING PROFIT

The operating profit is stated after charging:

	2021	2020
	£	£
Hire of plant and machinery	3,614	3,614
Depreciation - owned assets	98,154	121,425
Loss on disposal of fixed assets	-	2,266
Auditors' remuneration	9,000	14,420
Auditors' remuneration for non audit work	-	500
Foreign currency losses	15,690	60,844
Rent on property	155,528	143,878
Grant received	-	18,808
	<u>-</u>	<u>18,808</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Other interest	<u>4,257</u>	<u>-</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	348,512	368,161
Deferred tax	<u>10,769</u>	<u>(18,981)</u>
Tax on profit	<u>359,281</u>	<u>349,180</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

8. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Profit before tax	<u>2,284,110</u>	<u>1,821,454</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	433,981	346,076
Effects of:		
Expenses not deductible for tax purposes	1,212	3,104
Capital allowances super deduction	(1,513)	-
Effect of future change in corporation rate to deferred tax	18,226	-
Effect of Group Relief	(92,625)	-
Total tax charge	<u>359,281</u>	<u>349,180</u>

9. DIVIDENDS

	2021 £	2020 £
Interim	<u>7,600</u>	<u>1,247,700</u>

10. TANGIBLE FIXED ASSETS

	Leasehold property alterations £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2021	194,044	525,946	510,212	1,230,202
Additions	<u>4,810</u>	<u>16,196</u>	<u>34,395</u>	<u>55,401</u>
At 31 December 2021	<u>198,854</u>	<u>542,142</u>	<u>544,607</u>	<u>1,285,603</u>
DEPRECIATION				
At 1 January 2021	145,005	313,580	354,638	813,223
Charge for year	<u>4,100</u>	<u>45,217</u>	<u>48,837</u>	<u>98,154</u>
At 31 December 2021	<u>149,105</u>	<u>358,797</u>	<u>403,475</u>	<u>911,377</u>
NET BOOK VALUE				
At 31 December 2021	<u>49,749</u>	<u>183,345</u>	<u>141,132</u>	<u>374,226</u>
At 31 December 2020	<u>49,039</u>	<u>212,366</u>	<u>155,574</u>	<u>416,979</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11.	STOCKS		
		2021	2020
		£	£
	Finished goods	<u>2,881,458</u>	<u>1,963,257</u>
12.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2021	2020
		£	£
	Trade debtors	2,454,485	2,134,190
	Amounts owed by group undertakings	5,071,884	1,711,609
	Other debtors	40,000	40,000
	VAT	132,889	81,546
	Prepayments and accrued income	<u>206,664</u>	<u>129,120</u>
		<u>7,905,922</u>	<u>4,096,465</u>
13.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2021	2020
		£	£
	Trade creditors	3,569,934	2,707,291
	Corporation tax	113,937	189,161
	Social security and other taxes	46,414	50,302
	Other creditors	82,256	82,356
	Accruals and deferred income	<u>134,737</u>	<u>85,424</u>
		<u>3,947,278</u>	<u>3,114,534</u>
14.	LEASING AGREEMENTS		
	Minimum lease payments under non-cancellable operating leases fall due as follows:		
		2021	2020
		£	£
	Within one year	195,302	181,963
	Between one and five years	622,235	621,564
	In more than five years	-	75,725
		<u>817,537</u>	<u>879,252</u>
15.	PROVISIONS FOR LIABILITIES		
		2021	2020
		£	£
	Deferred tax	<u>75,940</u>	<u>65,171</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

15. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2021	65,171
Provided during year	<u>10,769</u>
Balance at 31 December 2021	<u>75,940</u>

Deferred Tax is in respect of accelerated capital allowances.

16. SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2021 £	2020 £
5,000	Ordinary		<u>5,000</u>	<u>5,000</u>

17. RESERVES

	Retained earnings £	Other reserves £	Totals £
At 1 January 2021	6,818,638	5,000	6,823,638
Profit for the year	1,924,829		1,924,829
Dividends	<u>(7,600)</u>		<u>(7,600)</u>
At 31 December 2021	<u>8,735,867</u>	<u>5,000</u>	<u>8,740,867</u>

Other Reserves is a Capital Redemption Reserve from a purchase of own shares.

18. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £71,284 (2020 £67,590).

19. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Cildarn Limited. Cildarn Limited is a wholly owned subsidiary of Gracoroberts UK Limited. Both companies are registered in England and Wales.

A copy of the parent's consolidated financial statements can be obtained from Units 1 & 2 Roman Park, Roman Way, Coleshill, Birmingham, West Midlands, B46 1HG.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

20. POST BALANCE SHEET EVENTS

Since March 2020, the global Covid-19 pandemic and the associated quarantines put in place by the UK and other governments presented significant challenges to the aviation sector. Despite this Sil-Mid Limited have had an impressive year.

The director is confident that the actions taken to mitigate the impact of reduced aerospace activity have ensured that the company has continued to make satisfactory progress based on its results to date. Since the year end, as the restrictions put in place by the UK and other governments continue to ease, the company is in a position to be able to continue to progress.

The director considers that an estimate of the possible future impact cannot be made. The director confirms that he has considered the effect of any further uncertainties as known at the balance sheet date associated to the impact of Covid-19 when considering the company's going concern position.

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Lenticular Holdings, Inc., a company registered in Delaware, U.S.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.