

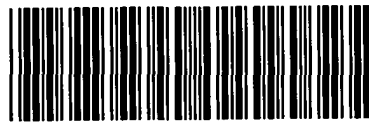
Registration number: 110186

# Beatson Clark Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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# **Beatson Clark Limited**

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## **Beatson Clark Limited**

### **Company Information**

<b>Directors</b>	J W Newman L Sidebottom R J Newman E A Pickering
<b>Company secretary</b>	A S Harrison
<b>Registered office</b>	The Glassworks Greasbrough Road Rotherham South Yorkshire S60 1TZ
<b>Auditors</b>	Haines Watts Kingston LLP Aissela 46 High Street Esher Surrey KT10 9QY

# Beatson Clark Limited

## Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

### Principal activity

The principal activity of the company is the manufacture and distribution of glass bottles and jars for the pharmaceutical, food and drinks industries.

### Fair review of the business

Results for the year

Turnover for the year ended 31 December 2022 was £75.1 million (2021: £68.4million), an increase of 9.8% (2021: 0.4% decrease) compared to the previous year. The profit before taxation amounted to £9.6 million (2021: £7.6 million).

The company performed well, despite the ongoing challenges of the energy crisis, and management remain cautiously positive regarding future prospects. Key to the company's future success is the ongoing significant investment in the Rotherham facility.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2022	2021
Turnover	£'000	75,121	68,394
Gross Margin	%	23	22
Stock	£'000	12,447	12,585

### Principal risks and uncertainties

Energy costs – prices are monitored on a daily basis and forward contracts negotiated where appropriate with key suppliers.

Pension funding – the company maintains a defined benefit pension scheme, which was closed to new entrants in 2013. Volatility of financial markets can affect the value of assets in the scheme and may result in the need to increase contributions to the scheme, with a consequent reduction in operating cash flows available for future investment in the business.

Insurance – the company endeavours to maintain adequate insurance levels for all appropriate insurable risks.

Major disruption / disaster – business continuity planning is reviewed regularly.

Competitive risk – the company is exposed to competitive risk in the market in which it operates. The company constantly monitors prices and undertakes regular market research to mitigate these risks.

Regulatory changes – the company monitors forthcoming and current legislation and ensures compliance.

### Section 172(1) statement

The directors are constantly making decisions that impact the business and its stakeholders. Part of the process is the assessment of the probable impact that their decisions have for both the short and medium to long term and how they may affect the wider group of stakeholders. Choices are balanced to ensure the continued viability of not only the company as a whole but the individual elements that make up the whole.

## Beatson Clark Limited

### Strategic Report for the Year Ended 31 December 2022

Fundamental to the success of our businesses is the engagement of our employees and we are focusing our efforts on putting engagement at the heart of our strategy. We have invested in improving our organisational capabilities, hiring talent to ensure we fulfil our potential. We are also conscious of the diversity position across our employee base. We continue to develop the diversity of our team through our internal development and recruitment processes. We pay employees equally for equal roles. We remain committed to promoting apprenticeship schemes throughout the organisation, championing young talent and nurturing our experts of the future.

We strive to always act with integrity, transparency and professionalism. We look to do the right thing by our people, customers, suppliers and for our local communities to ensure our actions have a positive impact on society and the environment. Our sites are engaged in activities to take steps to support the local communities in which we operate. As an organisation, we hold ourselves to high ethical and business standards.

We strive to ensure that where we can we reduce our impact on both our neighbours and also the environment as a whole. We have concentrated our warehousing close to our production facility to reduce the movement of product and also the number of daily vehicle movements both on the site and also in the wider area.

We strive to achieve the highest standards in all aspects of the business. Our aim is to project a professional persona delivering above and beyond expectations.

We are committed to employment policies that provide and promote equal employment opportunities for all our employees and applicants, and to maintaining a workplace that ensures tolerance, respect and dignity for all staff. No employee, applicant, contractor or temporary worker should be treated less favourably, victimised or harassed on the grounds of disability, sex, marital or civil partnership status, race, nationality, colour, ethnicity, religion or similar philosophical belief, sexual orientation, age or any distinction other than merit.

We continually review our procedures and our actions to proactively improve the way we do business and interact with all our stakeholders. We remain committed to the ethos of treating others in the manner and a way we would wish to be treated ourselves.

#### **Engagement with employees**

Fundamental to the success of our businesses is the engagement of our employees and we are focusing our efforts on putting engagement at the heart of our strategy. We have invested in improving our organisational capabilities, hiring talent to ensure we fulfil our potential. We are also conscious of the diversity position across our employee base. We continue to develop the diversity of our team through our internal development and recruitment processes. We pay employees equally for equal roles. We remain committed to promoting apprenticeship schemes throughout the organisation, championing young talent and nurturing our experts of the future.

#### **Engagement with suppliers, customers and other relationships**

We strive to always act with integrity, transparency and professionalism. We look to do the right thing by our people, customers, suppliers and for our local communities to ensure our actions have a positive impact on society and the environment. Our sites are engaged in activities to take steps to support the local communities in which we operate. As an organisation, we hold ourselves to high ethical and business standards.

Approved and authorised by the Board on 29 March 2023 and signed on its behalf by:



.....  
R J Newman  
Director

## **Beatson Clark Limited**

### **Directors' Report for the Year Ended 31 December 2022**

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

#### **Directors of the company**

The directors who held office during the year were as follows:

J W Newman

J D Clarkson (resigned 25 November 2022)

L Sidebottom

A P Bale (resigned 29 September 2022)

R J Newman

D Roberts (resigned 5 April 2022)

The following director was appointed after the year end:

E A Pickering (appointed 21 February 2023)

#### **Financial instruments**

##### ***Objectives and policies***

Financial risk - the company uses financial instruments, including derivatives, comprising overdrafts, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main risks arising from the company's financial instruments are interest rate risk, liquidity risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk - the company finances its operation through a mixture of retained profits, bank loans, overdraft and borrowing from group companies. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

Liquidity risk - the company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any cash assets safely and profitably. Short term flexibility is achieved by overdraft facilities. Debt is structured so repayments can be made out of cash generated through operations.

Currency risk - the company is exposed to transaction foreign exchange risk. Approximately 16.2% of turnover relates to export sales. Where possible the company will invoice in sterling, however approximately 10.4% is invoiced in either Euros or US dollars. These exposures, including those associated with forecast transactions, are hedged when known using forward currency contracts. Whilst the aim is to achieve an economic hedge the company does not adopt an accounting policy of hedge accounting for these financial statements.

#### **Employment of disabled persons**

The company gives equal opportunities to disabled persons wherever possible both in recruitment and career development.

## Beatson Clark Limited

### Directors' Report for the Year Ended 31 December 2022

#### Employee involvement

The directors attach the greatest importance to the development of employee involvement throughout the company based on good communications and working relationships. Consultation takes place through normal contacts with departments and in meetings at all levels of employees to assist the employees to become more aware of the financial and economic factors affecting the performance of the company.

#### Environmental matters

Under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, together with the accompanying government guidance 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance March 2019', the Company is entitled to take exemption from reporting on its energy consumption.

This information is instead reported at consolidated level in the financial statements of the company's ultimate parent, Newship Group Limited.

#### Future developments

The company continues to listen to its customers and work with them to bring to the market high quality, distinctive products. The volatility of the global economic situation, will make 2023 another year of challenges and opportunities.

#### Research and development

The company is committed to various projects to increase the efficiency and productivity of the manufacturing facility in Rotherham, including the design and production of lightweight containers, which use less material in their production but retain the integrity of the original container.

#### Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### Dividends

The directors do not recommend the payment of a dividend for the current year (£2021: £nil).

#### Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Haines Watts Kingston LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved and authorised by the Board on 29 March 2023 and signed on its behalf by:



.....  
R J Newman  
Director

## **Beatson Clark Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

## **Beatson Clark Limited**

### **Independent Auditor's Report to the Members of Beatson Clark Limited**

#### **Opinion**

We have audited the financial statements of Beatson Clark Limited (the 'company') for the year ended 31 December 2022, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 original financial statements were 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **Beatson Clark Limited**

### **Independent Auditor's Report to the Members of Beatson Clark Limited**

#### **Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 and the Directors' Report.

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 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 Statement of Directors' Responsibilities [set out on page 6], 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.

#### **Auditor Responsibilities for the audit of the financial statements**

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

## Beatson Clark Limited

### Independent Auditor's Report to the Members of Beatson Clark Limited

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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](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.



Paul Hodgett BA (Hons) FCA (Senior Statutory Auditor)  
For and on behalf of Haines Watts Kingston LLP, Statutory Auditor

Aissela  
46 High Street  
Esher  
Surrey  
KT10 9QY

29 March 2023

## Beatson Clark Limited

### Profit and Loss Account for the Year Ended 31 December 2022

	Note	2022 £ 000	2021 £ 000
Turnover	3	75,121	68,394
Cost of sales		<u>(58,134)</u>	<u>(53,524)</u>
Gross profit		16,987	14,870
Distribution costs		(6,142)	(6,346)
Administrative expenses		(6,415)	(5,605)
Other operating income	4	<u>5,169</u>	<u>4,744</u>
Operating profit	5	<u>9,599</u>	<u>7,663</u>
Other interest receivable and similar income	6	-	61
Interest payable and similar expenses		<u>(23)</u>	<u>(137)</u>
		<u>(23)</u>	<u>(76)</u>
Profit before tax		9,576	7,587
Tax on profit	10	<u>(2,087)</u>	<u>(1,641)</u>
Profit for the financial year		<u>7,489</u>	<u>5,946</u>

The above results were derived from continuing operations.

The notes on pages 14 to 30 form an integral part of these financial statements.

**Beatson Clark Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2022**


	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Profit for the year	7,489	5,946
Remeasurement (loss)/gain on defined benefit pension schemes	<u>(1,215)</u>	<u>7,557</u>
Total comprehensive income for the year	<u><u>6,274</u></u>	<u><u>13,503</u></u>

The notes on pages 14 to 30 form an integral part of these financial statements.

**Beatson Clark Limited**  
**(Registration number: 110186)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £ 000	2021 £ 000
Tangible assets	11	27,118	28,623
Investments	12	937	937
		<u>28,055</u>	<u>29,560</u>
<b>Current assets</b>			
Stocks	13	12,447	12,585
Debtors	14	13,448	11,139
Cash at bank and in hand	15	22,782	10,583
		48,677	34,307
<b>Creditors: Amounts falling due within one year</b>	16	<u>(23,088)</u>	<u>(16,330)</u>
<b>Net current assets</b>		<u>25,589</u>	<u>17,977</u>
<b>Total assets less current liabilities</b>		53,644	47,537
<b>Creditors: Amounts falling due after more than one year</b>	16	(139)	(306)
<b>Provisions for liabilities</b>	17	<u>(586)</u>	<u>(586)</u>
<b>Net assets</b>		<u>52,919</u>	<u>46,645</u>
<b>Capital and reserves</b>			
Called up share capital		2,395	2,395
Revaluation reserve	20	5,292	5,292
Retained earnings	20	<u>45,232</u>	<u>38,958</u>
<b>Shareholders' funds</b>		<u>52,919</u>	<u>46,645</u>

Approved and authorised by the Board on 29 March 2023 and signed on its behalf by:

  
 .....  
 R J Newman  
 Director

## Beatson Clark Limited

### Statement of Changes in Equity for the Year Ended 31 December 2022

	<b>Share capital</b> <b>£ 000</b>	<b>Revaluation</b> <b>reserve</b> <b>£ 000</b>	<b>Retained</b> <b>earnings</b> <b>£ 000</b>	<b>Total</b> <b>£ 000</b>
At 1 January 2021	2,395	5,292	25,455	33,142
Profit for the year	-	-	5,946	5,946
Other comprehensive income	-	-	7,557	7,557
Total comprehensive income	-	-	13,503	13,503
At 31 December 2021	2,395	5,292	38,958	46,645
	<b>Share capital</b> <b>£ 000</b>	<b>Revaluation</b> <b>reserve</b> <b>£ 000</b>	<b>Retained</b> <b>earnings</b> <b>£ 000</b>	<b>Total</b> <b>£ 000</b>
At 1 January 2022	2,395	5,292	38,958	46,645
Profit for the year	-	-	7,489	7,489
Other comprehensive income	-	-	(1,215)	(1,215)
Total comprehensive income	-	-	6,274	6,274
At 31 December 2022	2,395	5,292	45,232	52,919

The notes on pages 14 to 30 form an integral part of these financial statements.

## **Beatson Clark Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

The Glassworks  
Greasbrough Road  
Rotherham  
South Yorkshire  
S60 1TZ  
England

These financial statements were authorised for issue by the Board on 29 March 2023.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include certain financial instruments at fair value.

These financial statements are presented in sterling which is also the functional currency of the company.

##### **Summary of disclosure exemptions**

The company has taken advantage of the exemption from the following information, as permitted by the reduced disclosure regime within FRS 102:

Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.

Section 33 'Related Party Disclosures' - Compensation for key management personnel..

##### **Group accounts not prepared**

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Key sources of estimation uncertainty

##### Pension scheme

Significant impacts arise within the financial statements as a result of the changes in the assumptions in respect of the valuation of the pension scheme. In order to obtain a fair valuation, the directors take advice from external actuaries as to the assumptions to be used taking account of market data and conditions at the year end. The approximate sensitivity of the liabilities to some of the key assumptions are:

##### Discount rate

The effect of reducing the discount rate by 0.25% per annum would be to increase the liabilities by around £2,100,000.

##### Price inflation

The effect of increasing the price inflation assumption by 0.25% per annum would be to increase the liabilities by around £800,000.

##### Mortality

The effect of increasing the assumed life expectancy by 1 year would be to increase the liabilities by around £3,700,000.

##### Leases

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the group as lessee, or the lessee, where the group is a lessor

##### Deferred taxation

Deferred tax assets and liabilities are assessed on the basis of assumptions regarding the future, the likelihood that assets will be realised and liabilities will be settled, and estimates as to the timing of those future events and as to the future tax rates that will be applicable.

The deferred tax asset can be affected by the rate of corporation tax, which is outside the control of the directors and the level of recoverable losses within the company, the directors' view of recoverability of the losses will have a direct impact on the quantum of the deferred tax asset.

##### Stock provisioning

The stock provision is based on management assessment at the reporting date.

## **Beatson Clark Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **Going concern**

At the time of approving the financial statements, based on trading results throughout the pandemic, future cash flow forecasts, and the significant amount of unencumbered assets in the group, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from time of approval. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Research and development**

Research and development expenditure is charged to the profit and loss account in the period in which it is incurred. Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected sales arising from the projects. All other development costs are written off in the year of expenditure.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

#### **Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Property held for the company's own use has been included at a deemed value. The difference between cost and deemed value is held in a revaluation reserve account.

#### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	20 to 50 years
Plant, equipment, vehicles and moulds	between 2 and 25 years on cost or valuation according to type of asset

#### **Investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Beatson Clark Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **Financial instruments**

##### **Financial assets**

##### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

##### **Financial liabilities and equity**

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

##### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Defined benefit pension obligation

The company has a defined benefit pension scheme which is closed to future accrual.

Net interest on the net defined benefit liability comprises the interest cost on the defined benefit obligation and interest income on the plan assets, calculated by multiplying the fair value of the plan assets at the beginning of the period by the rate used to discount the benefit obligations. The net interest is recognised in the profit and loss account.

Gains and losses arising from changes in actuarial assumptions and the difference between the interest income on the plan assets and the return on the plan assets are recognised in other comprehensive income.

The defined benefit scheme is funded, with the assets held separately from the company in separate trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected credit unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability and as asset recognised where the company has a right to recover monies from the scheme.

### 3 Turnover

The analysis of the company's revenue for the year from continuing operations is as follows:

	2022 £ 000	2021 £ 000
Sale of goods	75,121	68,394

The analysis of the company's turnover for the year by market is as follows:

	2022 £ 000	2021 £ 000
UK	61,325	57,330
Europe	12,436	9,073
Rest of world	1,360	1,991
	75,121	68,394

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022 £ 000	2021 £ 000
Other income	5,128	4,595
Rent receivable	41	149
	<u>5,169</u>	<u>4,744</u>

#### 5 Operating profit

Arrived at after charging/(crediting)

	2022 £ 000	2021 £ 000
Depreciation expense	6,493	6,040
Foreign exchange gains/losses	23	-
Operating lease expense - property	677	170
Operating lease expense - plant and machinery	86	44
Loss/(profit) on disposal of property, plant and equipment	10	(4)
Government grant income	(84)	(167)
Audit of the financial statements	30	30
	<u>30</u>	<u>30</u>

#### 6 Other interest receivable and similar income

	2022 £ 000	2021 £ 000
Other finance income	-	61
	<u>-</u>	<u>61</u>

#### 7 Interest payable and similar expenses

	2022 £ 000	2021 £ 000
Interest expense on other finance liabilities	-	3
	<u>-</u>	<u>3</u>

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Wages and salaries	8,072	7,542
Social security costs	894	806
Pension costs, defined contribution scheme	1,343	1,404
Other employee expense	64	73
	<b>10,373</b>	<b>9,825</b>
	<b>10,373</b>	<b>9,825</b>

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Production	195	183
Administration and support	12	12
Sales, marketing and distribution	37	27
	<b>244</b>	<b>222</b>
	<b>244</b>	<b>222</b>

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Remuneration	236	287
Contributions paid to money purchase schemes	7	10
	<b>243</b>	<b>297</b>
	<b>243</b>	<b>297</b>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Accruing benefits under money purchase pension scheme	2	2
	<b>2</b>	<b>2</b>

In respect of the highest paid director:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Remuneration	174	159
Company contributions to money purchase pension schemes	5	5
	<b>179</b>	<b>164</b>
	<b>179</b>	<b>164</b>

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 10 Taxation

Tax charged/(credited) in the profit and loss account

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Current taxation</b>		
UK corporation tax	1,899	1,440
UK corporation tax adjustment to prior periods	(97)	-
	<u>1,802</u>	<u>1,440</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	285	260
Arising from changes in tax rates and laws	-	(59)
Total deferred taxation	<u>285</u>	<u>201</u>
Tax expense in the income statement	<u>2,087</u>	<u>1,641</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Profit before tax	<u>9,576</u>	<u>7,587</u>
Corporation tax at standard rate	1,819	1,442
Effect of revenues exempt from taxation	(126)	30
Effect of expense not deductible in determining taxable profit (tax loss)	65	-
Deferred tax credit relating to changes in tax rates or laws	-	(59)
Tax increase from effect of capital allowances and depreciation	329	266
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>-</u>	<u>(38)</u>
Total tax charge	<u>2,087</u>	<u>1,641</u>

The deferred tax assets and liabilities have been calculated using the 25% tax rate.

#### Deferred tax

Deferred tax assets and liabilities

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

	<b>Asset £ 000</b>	<b>Liability £ 000</b>
<b>2022</b>		
Accelerated capital allowances	-	655
Tax losses carried forward	69	-
	69	655
	69	655
<b>2021</b>		
Accelerated capital allowances	-	655
Tax losses carried forward	69	-
	69	655
	69	655

#### 11 Tangible assets

	<b>Land and buildings £ 000</b>	<b>Furniture, fittings and equipment £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>			
At 1 January 2022	12,641	59,499	72,140
Additions	-	5,003	5,003
Disposals	(6)	(2,861)	(2,867)
	12,635	61,641	74,276
At 31 December 2022	12,635	61,641	74,276
<b>Depreciation</b>			
At 1 January 2022	1,887	41,630	43,517
Charge for the year	519	5,974	6,493
Eliminated on disposal	(6)	(2,846)	(2,852)
	2,400	44,758	47,158
At 31 December 2022	2,400	44,758	47,158
<b>Carrying amount</b>			
At 31 December 2022	10,235	16,883	27,118
At 31 December 2021	10,754	17,869	28,623

Included within the net book value of land and buildings above is £10,235,000 (2021 - £10,754,000) in respect of freehold land and buildings.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 12 Investments

Subsidiaries	£ 000
<b>Cost or valuation</b>	
At 1 January 2022	937
<b>Provision</b>	
<b>Carrying amount</b>	
At 31 December 2022	937
At 31 December 2021	937

#### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
<b>Subsidiary undertakings</b>				
Beatson Clark Trustees Limited	England and Wales	Ordinary	100%	100%
Lewis & Towers Limited	England and Wales	Ordinary	100%	100%
Johnsen & Jorgenson Limited	England & Wales	Ordinary	100%	0%

#### Subsidiary undertakings

##### *Beatson Clark Trustees Limited*

The principal activity of Beatson Clark Trustees Limited is that of a dormant company.

##### *Lewis & Towers Limited*

The principal activity of Lewis & Towers Limited is manufacture and sale of hollow glass containers.

##### *Johnsen & Jorgenson Limited*

The principal activity of Johnsen & Jorgenson Limited is processing glass.

The company bought the Johnsen & Jorgenson Limited from a group company at net asset value which was nil.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 13 Stocks

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Raw materials and consumables	902	851
Finished goods and goods for resale	11,545	11,734
	12,447	12,585

#### 14 Debtors

		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>£ 000</b>	<b>£ 000</b>
<b>Current</b>			
Trade debtors		10,325	7,744
Amounts owed by related parties	24	936	711
Prepayments		2,187	2,684
		13,448	11,139

#### 15 Cash and cash equivalents

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Cash at bank	22,782	10,583
	22,782	10,583

#### 16 Creditors

		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>£ 000</b>	<b>£ 000</b>
<b>Due within one year</b>			
Trade creditors		7,437	6,586
Amounts due to related parties	24	9,310	2,003
Social security and other taxes		1,672	1,191
Other payables		1,218	1,249
Accrued expenses		2,725	4,179
Income tax liability	10	559	955
Deferred income		167	167
		23,088	16,330
<b>Due after one year</b>			
Deferred income		139	306

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 17 Provisions for liabilities

	<b>Deferred tax</b>	<b>Total</b>
	<b>£ 000</b>	<b>£ 000</b>
At 1 January 2022	586	586
At 31 December 2022	586	586

#### 18 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,343,000 (2021 - £1,404,000).

##### Defined benefit pension schemes

##### Beatson Clark Pension Scheme

The company operates a defined benefit scheme in the UK which has been closed to future accrual since 2016. A formal actuarial valuation was carried out at 30 June 2019 and updated to 31 December 2022 by a qualified independent actuary.

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the balance sheet are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Fair value of scheme assets	98,844	121,672
Present value of defined benefit obligation	(81,494)	(112,999)
	17,350	8,673
Other amounts not recognised in the balance sheet	(17,350)	(8,673)
Defined benefit pension scheme surplus/(deficit)	-	-

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	<b>2022</b> <b>£ 000</b>
Present value at start of year	112,999
Interest cost	2,144
Actuarial gains and losses	(27,532)
Benefits paid	<u>(6,117)</u>
Present value at end of year	<u><u>81,494</u></u>

#### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

	<b>2022</b> <b>£ 000</b>
Fair value at start of year	121,672
Interest income	2,144
Return on plan assets, excluding amounts included in interest income/(expense)	(20,355)
Employer contributions	1,500
Benefits paid	<u>(6,117)</u>
Fair value at end of year	<u><u>98,844</u></u>

#### *Analysis of assets*

The major categories of scheme assets are as follows:

	<b>2022</b> <b>£ 000</b>	<b>2021</b> <b>£ 000</b>
Cash and cash equivalents	806	643
Equity instruments	39,920	65,807
Debt instruments	57,390	52,859
Property	<u>728</u>	<u>2,363</u>
	<u><u>98,844</u></u>	<u><u>121,672</u></u>

#### *Return on scheme assets*

	<b>2022</b> <b>£ 000</b>	<b>2021</b> <b>£ 000</b>
Return on scheme assets	<u>(18,211)</u>	<u>12,797</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Principal actuarial assumptions*

The principal actuarial assumptions at the balance sheet date are as follows:

	2022	2021
	%	%
Discount rate	4.70	1.95
Future pension increases	3.50	3.55
Inflation	3.20	3.30

#### *Post retirement mortality assumptions*

	2022	2021
	Years	Years
Current UK pensioners at retirement age - male	19.00	19.00
Future UK pensioners at retirement age - male	20.00	20.00

## 19 Share capital

### Allotted, called up and fully paid shares

	2022		2021	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £0.25 each	9,582	2,395	9,582	2,395

#### **Rights, preferences and restrictions**

Ordinary shares have the following rights, preferences and restrictions:

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 20 Reserves

Revaluation reserve

Cumulative impact of fair value adjustments to Property, Plant and Equipment

Profit and loss

The profit and loss account is made up of retained profits of the company

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
Remeasurement gain/loss on defined benefit pension schemes	<u>(1,215)</u>	<u>(1,215)</u>

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
Remeasurement gain/loss on defined benefit pension schemes	<u>7,557</u>	<u>7,557</u>

#### 21 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	<b>2022 £ 000</b>	<b>2021 £ 000</b>
Not later than one year	212	195
Later than one year and not later than five years	<u>44</u>	<u>188</u>
	<u>256</u>	<u>383</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2021 - £Nil).

#### 22 Commitments

##### Capital commitments

At the year end the company was committed to make capital purchases in respect of machinery.

The total amount contracted for but not provided in the financial statements was £639,000 (2021 - £5,655,000).

## Beatson Clark Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Other financial commitments

The company enters into forward currency contracts for the purchase of known currency positions. At the balance sheet date the fair value of these contracts is not materially different from cost.

The total amount of other financial commitments not provided in the financial statements was £Nil (2021 - £Nil).

#### 23 Contingent liabilities

The company is part of an unlimited composite company bank guarantee agreement to secure and cross-guarantee the liabilities of each of the other companies. The co-signatories are Newship Limited, James Gibbons Format Limited, Pont Packaging BV and Lewis and Towers Limited.

#### 24 Related party transactions

##### Summary of transactions with other related parties

Related parties under common control and directorship.

##### Expenditure with and payables to related parties

	<b>Other related parties £ 000</b>
<b>2022</b>	
Leases	267
Amounts payable to related party	<u>70</u>
	<b>Other related parties £ 000</b>
<b>2021</b>	
Leases	270
Amounts payable to related party	<u>17</u>

#### 25 Parent and ultimate parent undertaking

Newship Limited is the company's immediate parent and controlling party by virtue of its 100% interest in the company.

The company's immediate parent is Newship Limited, incorporated in England and Wales.

The ultimate parent is Newship Group Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Newship Group Limited. These financial statements are available upon request from Fernside Place, 179 Queens Road, Weybridge, Surrey, KT13 0AH

The ultimate controlling party is J W Newman.