REGISTERED NUMBER: SC376021 (Scotland)

Group Strategic Report, Report of the Directors and Consolidated Financial Statements For The Year Ended 31 March 2025

for

Torishima Service Solutions Europe Limited

Torishima Service Solutions Europe Limited (Registered number: SC376021)

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Torishima Service Solutions Europe Limited

Company Information For The Year Ended 31 March 2025

DIRECTORS:	G Ashe L M O'Neill K Hirata P P Van Der Meulen S McColl
REGISTERED OFFICE:	30 Colliery Road Clyde Gateway Business Park London Road Glasgow G32 8SL
REGISTERED NUMBER:	SC376021 (Scotland)
INDEPENDENT AUDITORS:	Robb Ferguson Chartered Accountants & Statutory Auditors Regent Court 70 West Regent Street Glasgow G2 2QZ

Group Strategic Report For The Year Ended 31 March 2025

The directors present their strategic report of the company and the group for the year ended 31 March 2025.

REVIEW OF BUSINESS

Throughout the year the company continued to focus on driving improvements to ensure its high standards were upheld and delivery of our quality products and service to our customers were achieved.

As well as continuing to support Torishima Japan by providing repairs and service within its defined territory, efforts were made to achieve strategic synergies across different business revenue streams, aiming for a more integrated and efficient business model.

The management team during the year continued to focus on strong leadership to develop and preserve our business capabilities for the future.

Torishima Service Service Solutions (TSSE)

It was a strong year across all divisions reporting 21% growth in revenue on the prior year. Key highlights include:

- Pump Repair & Service continued to provide high standards in both quality and service to the pumps, ensuring to minimise downtime of our customers, not only in the UK, but also in Central & South America, Africa and Europe.
-Surface coatings had an exceptional strong year, developing opportunities and working on projects within the Defence, Nuclear & Marines Industries. Securing these opportunities are very important to move this business forward into next year.
- Spare Parts had another strong year, working closely with Japan to secure and deliver projects. This is another key part of our business, supporting our parent company and one that we will continue to develop
- Fluid Power Division had an exceptionally strong year supporting Torishima Japan to supply Lube Oil Systems for high energy pumps. We will continue to support Japan in this area as well as developing opportunities for other work at our facility in England.
- Cooling Water Systems had a record year, securing lucrative orders and delivering high end products to our customers.

In summary, TSSE had a very successful year performing extremely well across all areas of the business. With a strong order backlog going into the new financial year and visibility of new opportunities, the growth for 2025/26 remains very positive.

Torishima Turkey

During the year our Turkey subsidiary was restructured allowing our management team to take full control and change the strategic approach in Turkey. During the year lucrative orders were secured from our collaboration with new and existing customers. With Torishima Pumps having a large installed base in Turkey, the opportunities are significant and form part of our long term strategy in Turkey.

Although the stability in the Turkish economy is challenging, we believe that with the strong leadership team in place and opportunities, this company will add value to the Torishima group.

CPR

It was another excellent year for CPR, although reporting revenues of 85% on prior year, this was expected due to the cycle in LNG carrier dry docking schedules. The outlook for FY 25/26 will be very similar to the previous year because of the limited number of vessels undergoing maintenance. This gives the team an opportunity to look at finding new customers and enter new markets with the aim of boosting revenue in FY 26/27, which is already looking very promising due to the number of maintenance activities that are already scheduled to take place.

During the year, the team has been strengthened in the key areas of Sales & Engineering which will allow us to achieve our goal of having year on year growth as per the business plan.

ICI Caldaie

It was a record breaking year for ICI Caldaie reporting revenue of 319% on the prior year. The management team was restructured during the year, additional headcount invested in creating a solid foundation for growth. The team continued to collaborate with existing customers and build new customer relationships resulting in securing lucrative orders.

With the continued support from Torishima and ICI SPA Italy, the future looks very promising with good business opportunities moving into a new financial year.

Overall, it was a successful year, delivering group revenue of £20,366,204 and group profitability of £1,595,300. The group order backlog going into the new financial year is very strong and new business opportunities across all subsidiaries remain very exciting for the year ahead.

PRINCIPAL RISKS AND UNCERTAINTIES

Our risks going into the next financial year are ensuring we meet the strong order backlog and the recruitment of employees. We will continue to drive our business forward and focus on new business opportunities that will deliver profitability both in the UK and Overseas.

ON BEHALF OF THE BOARD:

S McColl - Director

17 October 2025

Report of the Directors For The Year Ended 31 March 2025

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2025.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2025.

EVENTS SINCE THE END OF THE YEAR

Following the reporting period, Torishima Service Solutions Europe Ltd acquired KRG Specialist Engineering Services Ltd, as detailed in Note 20 to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2024 to the date of this report.

G Ashe
L M O'Neill
K Hirata
P P Van Der Meulen
S McColl

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

S McColl - Director

17 October 2025

Report of the Independent Auditors to the Members of Torishima Service Solutions Europe Limited

Opinion
We have audited the financial statements of Torishima Service Solutions Europe Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 group's and of the parent company affairs as at 31 March 2025 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group 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 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.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 four, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company and the group through discussions with directors and other management, and from our wider knowledge and experience;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company and the group, including the Companies Act 2006 and FRS 102
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company and group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified
To address the risk of fraud through management bias and override of controls, we:
- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out were indicative of potential bias;
- Investigated the rationale behind significant or unusual transactions;
- Reviewing and recalculating managements assumptions in relation to the carrying value of work-in-progress.
- Reviewing source documentation to ensure costs and income are correctly classified and work-in-progress is reasonably stated; and
- Evaluating the reasonableness of management assumptions in relation to the carrying value of investments held.
Furthermore, carrying out an impairment test with reference to forecasts and post year end trading.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- Agreeing financial statement disclosures to underlying supporting documentation;
- Enquiring of management as to actual and potential litigation and claims; and
- Requesting correspondence with HMRC and Companies House.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Report of the Independent Auditors to the Members of Torishima Service Solutions Europe Limited

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.

Janice Alexander CA (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

17 October 2025

Torishima Service Solutions Europe Limited (Registered number: SC376021)

Consolidated Statement of Comprehensive Income For The Year Ended 31 March 2025

	Notes	2025 £	2025 £	2024 £	2024 £
TURNOVER			**20,366,204**		17,230,072
Cost of sales			**11,725,805**		9,666,416
GROSS PROFIT			**8,640,399**		7,563,656
Distribution costs		**225,277**		142,633	
Administrative expenses		**6,853,023**		5,771,011	
			7,078,300		5,913,644
			1,562,099		1,650,012
Other operating income			**80,336**		63,969
OPERATING PROFIT	5		**1,642,435**		1,713,981
Interest payable and similar expenses	6		**47,135**		13,472
PROFIT BEFORE TAXATION			**1,595,300**		1,700,509
Tax on profit	7		**566,645**		480,748
PROFIT FOR THE FINANCIAL YEAR			**1,028,655**		1,219,761
OTHER COMPREHENSIVE INCOME			**-**		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			**1,028,655**		1,219,761
Profit attributable to:					
Owners of the parent			**1,000,965**		1,226,692
Non-controlling interests			**27,690**		(6,931)
			1,028,655		1,219,761
Total comprehensive income attributable to:					
Owners of the parent			**1,000,965**		1,226,692
Non-controlling interests			**27,690**		(6,931)
			1,028,655		1,219,761

The notes form part of these financial statements

Torishima Service Solutions Europe Limited (Registered number: SC376021)

Consolidated Statement of Financial Position
31 March 2025

	Notes	2025 £	£	2024 £	£
FIXED ASSETS					
Intangible assets	9		**695,004**		812,348
Tangible assets	10		**2,150,755**		1,201,982
Investments	11		**-**		-
			2,845,759		2,014,330
CURRENT ASSETS					
Stocks	12	**1,656,664**		1,446,967	
Debtors	13	**5,510,424**		6,095,835	
Cash at bank and in hand		**3,252,741**		2,297,586	
		10,419,829		9,840,388	
CREDITORS					
Amounts falling due within one year	14	**5,201,084**		4,800,248	
NET CURRENT ASSETS			**5,218,745**		5,040,140
TOTAL ASSETS LESS CURRENT LIABILITIES			**8,064,504**		7,054,470
CREDITORS					
Amounts falling due after more than one year	15		**(170,064)**		(175,536)
PROVISIONS FOR LIABILITIES	17		**(217,997)**		(231,146)
NET ASSETS			**7,676,443**		6,647,788
CAPITAL AND RESERVES					
Called up share capital	18		**10,000**		10,000
Translation reserve	19		**(59,084)**		(59,084)
Retained earnings	19		**7,729,297**		6,742,863
SHAREHOLDERS' FUNDS			**7,680,213**		6,693,779
NON-CONTROLLING INTERESTS			**(3,770)**		(45,991)
TOTAL EQUITY			**7,676,443**		6,647,788

The financial statements were approved by the Board of Directors and authorised for issue on 17 October 2025 and were signed on its behalf by:

S McColl - Director

The notes form part of these financial statements

Torishima Service Solutions Europe Limited (Registered number: SC376021)

Company Statement of Financial Position
31 March 2025

	Notes	2025 £	£	2024 £	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		**1,973,237**		1,011,352
Investments	11		**1,539,462**		1,539,462
			3,512,699		2,550,814
CURRENT ASSETS					
Stocks	12	**1,206,434**		1,035,290	
Debtors	13	**5,956,589**		6,427,579	
Cash at bank and in hand		**1,912,979**		1,012,576	
		9,076,002		8,475,445	
CREDITORS					
Amounts falling due within one year	14	**3,936,865**		3,741,255	
NET CURRENT ASSETS			**5,139,137**		4,734,190
TOTAL ASSETS LESS CURRENT LIABILITIES			**8,651,836**		7,285,004
CREDITORS					
Amounts falling due after more than one year	15		**(170,064)**		(175,536)
PROVISIONS FOR LIABILITIES	17		**(207,402)**		(213,190)
NET ASSETS			**8,274,370**		6,896,278
CAPITAL AND RESERVES					
Called up share capital	18		**10,000**		10,000
Retained earnings	19		**8,264,370**		6,886,278
SHAREHOLDERS' FUNDS			**8,274,370**		6,896,278
Company's profit for the financial year			**1,378,092**		1,383,445

The financial statements were approved by the Board of Directors and authorised for issue on 17 October 2025 and were signed on its behalf by:

S McColl - Director

The notes form part of these financial statements

Torishima Service Solutions Europe Limited (Registered number: SC376021)

Consolidated Statement of Changes in Equity For The Year Ended 31 March 2025

	Called up share capital £	Retained earnings £	Translation reserve £
Balance at 1 April 2023	10,000	5,491,210	-
Changes in equity			
Non-controlling interest transfer	-	24,961	-
Translation reserve	-	-	(59,084)
Total comprehensive income	-	1,226,692	-
Balance at 31 March 2024	10,000	6,742,863	(59,084)
Changes in equity			
Non-controlling interest transfer	-	(14,531)	-
Total comprehensive income	-	1,000,965	-
Balance at 31 March 2025	10,000	7,729,297	(59,084)

	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2023	5,501,210	(14,099)	5,487,111
Changes in equity			
Non-controlling interest transfer	24,961	(24,961)	-
Translation reserve	(59,084)	-	(59,084)
Total comprehensive income	1,226,692	(6,931)	1,219,761
Balance at 31 March 2024	6,693,779	(45,991)	6,647,788
Changes in equity			
Non-controlling interest transfer	(14,531)	14,531	-
Total comprehensive income	1,000,965	27,690	1,028,655
Balance at 31 March 2025	7,680,213	(3,770)	7,676,443

The notes form part of these financial statements

Torishima Service Solutions Europe Limited (Registered number: SC376021)

Company Statement of Changes in Equity For The Year Ended 31 March 2025

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2023	10,000	5,502,833	5,512,833
Changes in equity			
Total comprehensive income	-	1,383,445	1,383,445
Balance at 31 March 2024	10,000	6,886,278	6,896,278
Changes in equity			
Total comprehensive income	-	1,378,092	1,378,092
Balance at 31 March 2025	10,000	8,264,370	8,274,370

The notes form part of these financial statements

Torishima Service Solutions Europe Limited (Registered number: SC376021)

Consolidated Statement of Cash Flows For The Year Ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	**2,511,052**	(320,141)
Interest paid		**(47,135)**	(13,472)
Tax paid		**(581,612)**	(75,473)
Taxation refund		**225,130**	-
Net cash from operating activities		**2,107,435**	(409,086)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(1,168,053)**	(227,075)
Sale of tangible fixed assets		**15,773**	579,269
Net cash from investing activities		**(1,152,280)**	352,194
Increase/(decrease) in cash and cash equivalents		**955,155**	(56,892)
Cash and cash equivalents at beginning of year	2	**2,297,586**	2,354,478
Cash and cash equivalents at end of year	2	**3,252,741**	2,297,586

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows For The Year Ended 31 March 2025

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

	2025	2024
	£	£
Profit before taxation	**1,595,300**	1,700,509
Depreciation charges	**318,240**	325,573
Loss/(profit) on disposal of fixed assets	**2,611**	(274,125)
Finance costs	**47,135**	13,472
	1,963,286	1,765,429
Increase in stocks	**(209,697)**	(303,252)
Decrease/(increase) in trade and other debtors	**535,372**	(2,691,612)
Increase in trade and other creditors	**222,091**	909,294
Cash generated from operations	**2,511,052**	(320,141)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2025

	31.3.25	**1.4.24**
	£	**£**
Cash and cash equivalents	**3,252,741**	**2,297,586**

Year ended 31 March 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	2,297,586	2,354,478

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24	**Cash flow**	**At 31.3.25**
	£	**£**	**£**
Net cash			
Cash at bank and in hand	**2,297,586**	**955,155**	**3,252,741**
	2,297,586	**955,155**	**3,252,741**
Total	**2,297,586**	**955,155**	**3,252,741**

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
For The Year Ended 31 March 2025

1. STATUTORY INFORMATION

Torishima Service Solutions Europe Limited is a private company, limited by shares , registered in Scotland. The company's registered number and registered office address can be found on the General 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.

Significant judgements and estimates
Significant estimates relate to the valuation of costs in relation to long term contract work in progress. These are accrued at the margin rate in line with the stage of completion valuation method and costs are reallocated from work in progress (calculated) costs to the long term contract costs. Identified losses are recognised immediately in line with the company policy on long term contracts.

Other areas of estimation are in the fair value and depreciation policies set by the company. these are reviewed annually and are in line with industry standards.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill
Goodwill representing the excess of the cost of the acquisition of the subsidiary undertakings over the fair value of the assets acquired and other purchased goodwill, is capitalised in the year of acquisition and is being amortised evenly over its useful life of ten years.

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

Leasehold improvements	10% on cost
Property renovations	20% on cost and over the period of the lease
Motor vehicles	25% on cost
Plant & machinery	33.33% on cost, 20% on cost and 10% on cost
Fixtures and fittings	20% on cost
Hydro scheme	Over 22 years
IT/phone equipment	33% on cost

Stocks
Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

continued...

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.
Financial instruments are recognised 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 and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of 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 deducting all of its liabilities.

Basic financial liabilities

continued...

2. **ACCOUNTING POLICIES - continued**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied.

Foreign currency hedging is applied against debts and contracts in foreign currencies to manage foreign currency risk over completion of the contract and until payment is made. These debts are valued at the contracted rate and amended where contracts are extended with losses and profits passing through the profit and loss account.

Derecognition of financial liabilities

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result. Where contracts for exchange (hedging) are held debtor balances are translated at the rate specified in the contract both at intial recognition and at the balance sheet date.

Where a foreign currency exchange contract is renewed at completion (in the event that the transaction with which the exchange contract is not completed within the option period) gains / losses on translation are recognised when the currency contract completes and the debtor asset is revalued at the rate of the new contract.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

continued...

2. ACCOUNTING POLICIES - continued

Long term contracts
Income and expenses on long term contracts are recognised in the profit and loss account based upon the stage of completion of the contract. All recognisable losses are released to the profit and loss account as they are identified with profits being released over the period of the contract based on stage and milestone payment agreements.

3. EMPLOYEES AND DIRECTORS

	2025	2024
	£	£
Wages and salaries	**4,124,528**	4,463,167
Social security costs	**442,292**	340,290
Other pension costs	**248,259**	152,284
	4,815,079	4,955,741

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

	2025	2024
Directors	**5**	5
Service	**26**	38
Administration	**49**	29
	80	72

4. DIRECTORS' EMOLUMENTS

	2025	2024
	£	£
Directors' remuneration	**348,873**	418,824
Directors' pension contributions to money purchase schemes	**22,982**	9,651

Information regarding the highest paid director is as follows:

	2025	2024
	£	£
Emoluments etc	**228,795**	263,017
Pension contributions to money purchase schemes	**3,105**	-

5. OPERATING PROFIT

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

	2025	2024
	£	£
Hire of plant and machinery	**15,279**	13,792
Depreciation - owned assets	**200,896**	208,229
Loss/(profit) on disposal of fixed assets	**2,611**	(274,125)
Goodwill amortisation	**117,344**	117,344
Auditors' remuneration	**27,937**	26,603
Foreign exchange differences	**120,364**	39,601

continued...

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2025	2024
	£	£
Bank interest	**47,135**	13,472

7. TAXATION

Analysis of the tax charge

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

	2025	2024
	£	£
Current tax:		
UK corporation tax	**631,810**	581,612
Over/under provision of tax	**(52,894)**	(84,021)
Foreign tax	**878**	6,349
Total current tax	**579,794**	503,940
Deferred tax	**(13,149)**	(23,192)
Tax on profit	**566,645**	480,748

Reconciliation of total tax charge included in profit and loss

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

	2025	2024
	£	£
Profit before tax	**1,595,300**	1,700,509
Profit multiplied by the standard rate of corporation tax in the UK of 25 % (2024 - 25 %)	**398,825**	425,127
Effects of:		
Expenses not deductible for tax purposes	**28,575**	5,923
Depreciation in excess of capital allowances	**68,810**	119,881
Other timing differences	**142,234**	75,690
Movement in deferred tax	**(13,149)**	(25,024)
Prior year adjustment	**(9,935)**	(39,165)
Tax effect of losses carried forward	**(5,756)**	(22,219)
Research and development	**(42,959)**	(59,465)
Total tax charge	**566,645**	480,748

8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

continued...

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 April 2024 and 31 March 2025	**1,174,348**
AMORTISATION	
At 1 April 2024	**362,000**
Amortisation for year	**117,344**
At 31 March 2025	**479,344**
NET BOOK VALUE	
At 31 March 2025	**695,004**
At 31 March 2024	812,348

10. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Leasehold improvements £	Motor vehicles £	Property renovations £
COST				
At 1 April 2024	**-**	**83,043**	**53,924**	**389,573**
Additions	**1,005,802**	**-**	**40,715**	**50,644**
Disposals	**-**	**-**	**-**	**-**
At 31 March 2025	**1,005,802**	**83,043**	**94,639**	**440,217**
DEPRECIATION				
At 1 April 2024	**-**	**21,769**	**6,113**	**81,686**
Charge for year	**6,706**	**15,347**	**17,400**	**23,676**
Eliminated on disposal	**-**	**-**	**-**	**-**
At 31 March 2025	**6,706**	**37,116**	**23,513**	**105,362**
NET BOOK VALUE				
At 31 March 2025	**999,096**	**45,927**	**71,126**	**334,855**
At 31 March 2024	-	61,274	47,811	307,887

continued...

10. **TANGIBLE FIXED ASSETS - continued**

Group

	Plant & machinery £	Fixtures and fittings £	IT/Phone equipment £	Totals £
COST				
At 1 April 2024	**1,123,548**	**82,032**	**155,405**	**1,887,525**
Additions	**33,471**	**1,845**	**35,576**	**1,168,053**
Disposals	**(36,654)**	**-**	**(17,749)**	**(54,403)**
At 31 March 2025	**1,120,365**	**83,877**	**173,232**	**3,001,175**
DEPRECIATION				
At 1 April 2024	**430,439**	**55,724**	**89,812**	**685,543**
Charge for year	**86,328**	**13,998**	**37,441**	**200,896**
Eliminated on disposal	**(18,705)**	-	**(17,314)**	**(36,019)**
At 31 March 2025	**498,062**	**69,722**	**109,939**	**850,420**
NET BOOK VALUE				
At 31 March 2025	**622,303**	**14,155**	**63,293**	**2,150,755**
At 31 March 2024	693,109	26,308	65,593	1,201,982

Company

	Freehold property £	Motor vehicles £	Property renovations £
COST			
At 1 April 2024	**-**	**53,924**	**389,573**
Additions	**1,005,802**	**28,065**	**50,644**
Disposals	**-**	**-**	**-**
At 31 March 2025	**1,005,802**	**81,989**	**440,217**
DEPRECIATION			
At 1 April 2024	**-**	**6,113**	**81,686**
Charge for year	**6,706**	**15,024**	**23,676**
Eliminated on disposal	**-**	**-**	**-**
At 31 March 2025	**6,706**	**21,137**	**105,362**
NET BOOK VALUE			
At 31 March 2025	**999,096**	**60,852**	**334,855**
At 31 March 2024	-	47,811	307,887

continued...

10. TANGIBLE FIXED ASSETS - continued

Company

	Plant & machinery £	Fixtures and fittings £	IT/Phone equipment £	Totals £
COST				
At 1 April 2024	**999,003**	**70,936**	**152,809**	**1,666,245**
Additions	**10,000**	**1,845**	**35,576**	**1,131,932**
Disposals	**(23,531)**	**-**	**(17,749)**	**(41,280)**
At 31 March 2025	**985,472**	**72,781**	**170,636**	**2,756,897**
DEPRECIATION				
At 1 April 2024	**419,514**	**56,670**	**90,910**	**654,893**
Charge for year	**72,753**	**10,938**	**35,689**	**164,786**
Eliminated on disposal	**(18,705)**	**-**	**(17,314)**	**(36,019)**
At 31 March 2025	**473,562**	**67,608**	**109,285**	**783,660**
NET BOOK VALUE				
At 31 March 2025	**511,910**	**5,173**	**61,351**	**1,973,237**
At 31 March 2024	579,489	14,266	61,899	1,011,352

11. FIXED ASSET INVESTMENTS

Company

	Unlisted investments £
COST	
At 1 April 2024 and 31 March 2025	**1,539,462**
NET BOOK VALUE	
At 31 March 2025	**1,539,462**
At 31 March 2024	1,539,462

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Cryo Pump Repairs Ltd
Registered office: 1 Barons Court Earls Gate Park, Roseland Hall, Grangemouth, Scotland, FK3 8BH
Nature of business: Repair and maintenance of ships and boats

Class of shares:	% holding
Ordinary	100.00

continued...

11. FIXED ASSET INVESTMENTS - continued

ICI Caldaie Limited
Registered office: 5 Berrington Road, Leamington Spa, England, CV31 1NB
Nature of business: Supply and fit of heating applications

Class of shares:	% holding
Ordinary	80.00

Torishima Pumps UK Ltd
Registered office: 30 Colliery Road Clyde Gateway Business Park, London Road, Glasgow, United Kingdom, G32 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

Torishima Service Solutions Turkey
Registered office: Çerkesli, OSB MAH IMES 5 BULVAR BINA NO:5
Nature of business: Manufacture of fluid powered equipment

Class of shares:	% holding
Ordinary	100.00

12. STOCKS

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Stocks	**464,885**	464,116	**123,829**	103,212
Work-in-progress	**1,191,779**	982,851	**1,082,605**	932,078
	1,656,664	1,446,967	**1,206,434**	1,035,290

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Trade debtors	**4,846,633**	5,377,676	**4,176,824**	4,423,566
Amounts owed by group undertakings	**55,829**	-	**1,132,485**	1,486,066
Other debtors	**4,000**	-	**-**	-
VAT asset	**297,352**	309,439	**363,280**	203,218
Prepayments and other debtors	**306,610**	408,720	**284,000**	314,729
	5,510,424	6,095,835	**5,956,589**	6,427,579

continued...

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Trade creditors	**2,062,987**	2,832,724	**1,446,673**	2,324,242
Tax	**537,325**	366,417	**377,474**	55,422
Social security and other taxes	**125,572**	109,689	**112,402**	97,154
Other creditors	**2,049**	-	**-**	-
Accrued and other creditors	**2,460,611**	1,478,878	**1,987,776**	1,251,897
Deferred government grants	**12,540**	12,540	**12,540**	12,540
	5,201,084	4,800,248	**3,936,865**	3,741,255

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Accruals and deferred income	**108,077**	108,077	**108,077**	108,077
Deferred government grants	**61,987**	67,459	**61,987**	67,459
	170,064	175,536	**170,064**	175,536

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2025	2024
	£	£
Within one year	**299,088**	398,698
Between one and five years	**976,565**	1,042,524
In more than five years	**926,370**	1,154,105
	2,202,023	2,595,327

Company

	Non-cancellable operating leases	
	2025	2024
	£	£
Within one year	**261,057**	354,253
Between one and five years	**976,565**	1,006,124
In more than five years	**926,370**	1,154,105
	2,163,992	2,514,482

continued...

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Deferred tax	**217,997**	231,146	**207,402**	213,190

Group

	Deferred tax
	£
Balance at 1 April 2024	**231,146**
Provided during year	**(13,149)**
Balance at 31 March 2025	**217,997**

Company

	Deferred tax
	£
Balance at 1 April 2024	**213,190**
Provided during year	**(5,788)**
Balance at 31 March 2025	**207,402**

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**2025**	2024
			£	£
10,000	Ordinary	£1	**10,000**	10,000

19. RESERVES

Group

	Retained earnings	**Translation reserve**	**Totals**
	£	**£**	**£**
At 1 April 2024	**6,742,863**	**(59,084)**	**6,683,779**
Profit for the year	**1,000,965**		**1,000,965**
Non controlling interest	**(14,531)**	**-**	**(14,531)**
At 31 March 2025	**7,729,297**	**(59,084)**	**7,670,213**

continued...

19. **RESERVES - continued**

Company

	Retained earnings £
At 1 April 2024	**6,886,278**
Profit for the year	**1,378,092**
At 31 March 2025	**8,264,370**

20. **POST BALANCE SHEET EVENTS**

Since the year end, the group acquired the entire issued share capital of KRG Specialist Engineering Services Limited. The acquisition was funded by a loan from an overseas group company.

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