Company registration number 02639199 (England and Wales)

Pennine Pneumatic Services Limited

Annual Report And Financial Statements

For The Period Ended 31 December 2025

Pennine Pneumatic Services Limited

Company Information

Directors	Mrs H S Kocas	(Appointed 16 March 2026)
	Mr B M Leempoels	(Appointed 31 March 2026)
Company number	02639199	
Registered office	Technology House Maylands Avenue Hemel Hempstead HP2 7DF	
Auditor	DJH Audit Limited The Carriage House Mill Street Maidstone Kent ME15 6YE	
Business address	The Yorkshire Air Centre Rastrick Common Brighouse West Yorkshire HD6 3DR	

Pennine Pneumatic Services Limited

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Pennine Pneumatic Services Limited

Strategic Report

For The Period Ended 31 December 2025

The directors present the strategic report for the period ended 31 December 2025.

Review of the business

Pennine Pneumatic Services Limited is a UK based Atlas Copco Distributor who's principal activity was the sale and hire of compressed air equipment and associated services. Revenue for the 15 month period was £18.8M, vs £15.6M for the 12 month period to September 2024.

On 31st October 2024 the entire share capital of the company was purchased by Atlas Copco UK Holdings Limited. Prior to this, the hoses element of the business was integrated into R&G meaning like for like turnover had increased by £500k in the period.

Principal risks and uncertainties

The directors have identified the following principal risks and uncertainties facing the business:

Risk	Description	Mitigating Measures
Acquisition of the Company by Atlas Copco	Retention of key staff can be difficult when a business goes through a change in ownership.	Regular updates with staff on the integration process and opportunities within the wider Atlas Copco Group.
Skills shortage	Difficulty in recruiting skilled engineers may impact delivery capacity.	Focus on apprenticeship schemes, staff retention and upskilling of current employees.
Economic downturn	A reduction in construction activity may lower demand for services.	Mix of service offering from Capital Equipment sales to Hire to service and repair ensures customer spend when capital budgets are constrained and focus on sectors less affected by economic downturn.

Key performance indicators

In the light of market conditions, the key performance indicators used by the company are turnover, gross profit percentage, net profit percentage and EBITDA.

	December 2025	September 2024
Turnover	18,757,233	15,554,648
Gross profit percentage	46.37%	48.56%
Profit after tax percentage	1.70%	9.66%
EBITDA	1,405,290	2,056,103

Future Developments

In late 2026 the company plans to integrate its core services to the main Atlas Copco UK business that being the Sale of Compressors and the associated service and maintenance. The Hire, Install and Pneumatics business will remain with Pennine Pneumatic Services Limited and be developed to become a nationwide offering to support Atlas Copco UK and external customers as it does now. The order book for equipment will provide a strong start to 2026.

On behalf of the board

Mr B M Leempoels
Director

21 September 2026

The directors present their annual report and financial statements for the period ended 31 December 2025.

Principal activities

The principal activity of the company continued to be that of the sale and hire of specialist compressed air equipment and associated services.

Results and dividends

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr A M Rubinstein	(Appointed 31 October 2024 and resigned 20 February 2026)
Mr A C J Bongaerts	(Appointed 31 October 2024 and resigned 31 March 2026)
Mr R J Davies	(Resigned 31 October 2024)
Mr A Lala	(Resigned 31 October 2024)
Mr M O'Connor	(Resigned 31 October 2024)
Mrs H S Kocas	(Appointed 16 March 2026)
Mr B M Leempoels	(Appointed 31 March 2026)

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company’s auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company’s auditor is aware of that information.

On behalf of the board

Mr B M Leempoels
Director

21 September 2026

Directors' Responsibilities Statement

For The Period Ended 31 December 2025

The directors are responsible 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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.

Opinion

We have audited the financial statements of Pennine Pneumatic Services Limited (the 'company') for the period ended 31 December 2025 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 2025 and of its profit for the period 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's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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's responsibilities for the audit of the financial statements

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management's own consideration of fraud. In particular we assessed whether judgements made in making accounting estimates are indicative of potential bias, and evaluated the business rationale of significant transactions outside the normal course of business. We also addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments. We also considered potential financial or other pressures, opportunities and motivations for fraud. As part of discussions with management we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes.

We obtained an understanding of the legal and regulatory environment applicable to the company and established the most relevant laws and regulations are FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Companies Act 2006, direct and indirect taxation legislation in the United Kingdom, and operational laws and regulations including health and safety, employment law, anti-money laundering, anti-bribery and corruption, and GDPR rules.

Additionally, we also identified ISO 9001-2015, ISO 14001-2015 and ISO 45001:2018 as being regulations that could reasonably be expected to have a material effect on the financial statements. This has been identified through our experience of the sector in which the entity operates, and through discussions with the directors and management.

We considered the extent of compliance with these laws and regulations as part of our procedures on the related financial statement lines. We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence, for example, review and inspection of legal invoices and correspondence with the relevant authorities and the entity's solicitors.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentation or through collusion. There are inherent limitations in the audit procedures performed as non-compliance with laws and regulations may not necessarily be reflected in transactions reported in the financial statements, and therefore we may be less likely to become aware of it. Management and those charged with governance of the entity have the primary responsibility for the prevention and detection of fraud.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

The previous financial statements are unaudited.

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.

Mr Athos Louca FCCA
Senior Statutory Auditor
For and on behalf of DJH Audit Limited

21 September 2026

Accountants
Statutory Auditor

The Carriage House
Mill Street
Maidstone
Kent
ME15 6YE

Pennine Pneumatic Services Limited

Profit And Loss Account

For The Period Ended 31 December 2025

	Notes	Period ended 31 December 2025 £	Year ended 30 September 2024 £
Turnover	**3**	18,757,233	15,554,648
Cost of sales		(10,058,671)	(8,001,790)
Gross profit		8,698,562	7,552,858
Administrative expenses		(8,185,789)	(5,996,632)
Exceptional items	**4**	(135,913)	-
Operating profit	**5**	376,860	1,556,226
Interest receivable and similar income	**9**	4,237	-
Interest payable and similar expenses	**10**	(62,894)	(53,513)
Profit before taxation		318,203	1,502,713
Tax on profit	**11**	30,978	(209,561)
Profit for the financial period		349,181	1,293,152

Pennine Pneumatic Services Limited

Statement Of Comprehensive Income

For The Period Ended 31 December 2025

	Period ended 31 December 2025 £	Year ended 30 September 2024 £
Profit for the period	349,181	1,293,152
Other comprehensive income	-	-
Total comprehensive income for the period	349,181	1,293,152

Pennine Pneumatic Services Limited

Balance Sheet

As At 31 December 2025

	Notes	31 December 2025		30 September 2024	
		£	£	£	£
Fixed assets					
Goodwill	**12**		115,200		123,833
Other intangible assets	**12**		10,170		13,985
Total intangible assets			125,370		137,818
Tangible assets	**13**		1,175,137		2,095,750
			1,300,507		2,233,568
Current assets					
Stocks	**14**	2,112,047		2,541,992	
Debtors	**15**	4,010,355		3,483,881	
Cash at bank and in hand		29,232		1,299,933	
		6,151,634		7,325,806	
Creditors: amounts falling due within one year	**16**	(3,182,538)		(4,912,185)	
Net current assets			2,969,096		2,413,621
Total assets less current liabilities			4,269,603		4,647,189
Creditors: amounts falling due after more than one year	**17**		-		(530,650)
Provisions for liabilities					
Deferred tax liability	**19**	200,270		396,387	
			(200,270)		(396,387)
Net assets			4,069,333		3,720,152
Capital and reserves					
Called up share capital	**21**		11,000		11,000
Share premium account			9,000		9,000
Profit and loss reserves			4,049,333		3,700,152
Total equity			4,069,333		3,720,152

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 21 September 2026 and are signed on its behalf by:

Mr B M Leempoels
Director

Company registration number 02639199 (England and Wales)

Pennine Pneumatic Services Limited

Statement Of Changes In Equity

For The Period Ended 31 December 2025

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 October 2023	11,000	9,000	2,407,000	2,427,000
Year ended 30 September 2024:				
Profit and total comprehensive income	-	-	1,293,152	1,293,152
Balance at 30 September 2024	11,000	9,000	3,700,152	3,720,152
Period ended 31 December 2025:				
Profit and total comprehensive income	-	-	349,181	349,181
Balance at 31 December 2025	11,000	9,000	4,049,333	4,069,333

Pennine Pneumatic Services Limited

Statement Of Cash Flows

For The Period Ended 31 December 2025

	Notes	Period ended 31 December 2025 £	£	Year ended 30 September 2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**25**		(298,658)		1,010,181
Interest paid			(62,894)		(53,513)
Income taxes paid			(555,037)		(221,940)
Net cash (outflow)/inflow from operating activities			(916,589)		734,728
Investing activities					
Purchase of intangible assets		(2,990)		(6,766)	
Proceeds from disposal of intangibles		(812)		-	
Purchase of tangible fixed assets		(216,819)		(513,564)	
Proceeds from disposal of tangible fixed assets		329,562		359,295	
Interest received		4,237		-	
Net cash generated from/(used in) investing activities			113,178		(161,035)
Financing activities					
Repayment of borrowings		-		(35,000)	
Payment of finance leases obligations		(467,290)		(129,760)	
Net cash used in financing activities			(467,290)		(164,760)
Net (decrease)/increase in cash and cash equivalents			(1,270,701)		408,933
Cash and cash equivalents at beginning of period			1,299,933		891,000
Cash and cash equivalents at end of period			29,232		1,299,933

1 Accounting policies

Company information

Pennine Pneumatic Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Technology House, Maylands Avenue, Hemel Hempstead, HP2 7DF.

1.1 Reporting period

The company is reporting a period of longer than one year as the year end was extended to match the year end of Atlas Copco Group, their new parent group. The company intends to report to 31 December each year.

1.2 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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Revenue

Revenue comprises sales of goods or services provided to customers net of value added tax and other sales taxes, less an appropriate deduction for actual and expected returns and discounts. Revenue is recognised when performance obligations are satisfied and the control of goods or services is transferred to the buyer. Where the performance obligation is satisfied over time, revenue is recognised in accordance with its progress towards complete satisfaction of that performance obligation.

When cash inflows are deferred and represent a financing arrangement, the promised consideration is adjusted for the effects of the time value of money, which is recognised as interest income.

The company recognises revenue from the following major sources:

- Sales of goods
- Sale of services

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of services

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1 Accounting policies **(Continued)**

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	10% straight line

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the term of the lease
Plant and equipment	4 years straight line
Fixtures and fittings	3 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

During the year, the accounting estimates for depreciation have been changed in line with group company policy to better reflect the useful life of the assets. The rate for depreciating leasehold improvements has changed from 10% straight line to straight line over the term of the lease, resulting in an additional £105,996 of depreciation charges recognised in the current year. The rate for depreciating plant and equipment has changed from 12% straight line to 4 years straight line, resulting in an additional £141,107 of depreciation charges recognised in the current year. The rate for depreciating fixtures and fittings has changed from 15% straight line to 3 years straight line, resulting in an additional £65,111 of depreciation charges recognised in the current year. The rate for depreciating motor vehicles has changed from 25% reducing balance to 5 years straight line, resulting in an additional £23,029 of depreciation charges recognised in the current year. The net book value of all tangible assets has been lowered accordingly. In future periods, all assets will now be written off over a shorter time period.

1 Accounting policies **(Continued)**

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on cost of purchase on a weighted average basis. Certain elements of work in progress and finished goods will include direct labour costs and those overheads consistent with the stage of completion of the relevant contract.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 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 in the company's balance sheet 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.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

1 Accounting policies **(Continued)**

Other financial liabilities

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 and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

As lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company’s accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation and amortisation of fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The remaining useful economic life of the assets is considered a source of significant estimation uncertainty.

Work in progress costs

The company assesses the costs incurred regarding ongoing long-term installation projects with regards to costs already invoiced and establishes whether any provision is to made in the current year for either services performed before or after the end of the accounting period.

3 Turnover and other revenue

	2025	2024
	£	£
Turnover analysed by class of business		
Sale of equipment and services	18,757,233	15,554,648

	2025	2024
	£	£
Turnover analysed by geographical market		
UK	18,757,233	15,554,648

	2025	2024
	£	£
Other revenue		
Interest income	4,237	-

4 Exceptional item

	2025	2024
	£	£
Expenditure		
Intercompany loan written off	135,913	-

5 Operating profit

	2025	2024
Operating profit for the period is stated after charging/(crediting):	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	11,250	-
Depreciation of tangible fixed assets	876,267	481,492
Profit on disposal of tangible fixed assets	(68,397)	(124,973)
Amortisation of intangible assets	16,250	16,948
Operating lease charges	389,521	278,125

6 Auditor's remuneration

	2025	2024
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	11,250	-

7 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2025	2024
	Number	Number
Management	7	5
Sales	16	15
Admin	61	69
Total	84	89

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	4,227,409	3,624,966
Social security costs	543,168	385,996
Pension costs	492,809	256,376
	5,263,386	4,267,338

8 Directors' remuneration

	2025	2024
	£	£
Remuneration for qualifying services	7,875	185,330
Company pension contributions to defined contribution schemes	900	58,720
	8,775	244,050

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2024 - 2).

9 Interest receivable and similar income

	2025	2024
	£	£
Interest income		
Interest receivable from group companies	4,237	-

	2025	2024
Investment income includes the following:	£	£
Interest on financial assets not measured at fair value through profit or loss	4,237	-

10 Interest payable and similar expenses

	2025	2024
	£	£
Other finance costs		
Interest on finance leases and hire purchase contracts	56,931	53,513
Other interest	5,963	-
	62,894	53,513

11 Taxation

	2025	2024
	£	£
Current tax		
UK corporation tax on profits for the current period	259,869	464,424
Adjustments in respect of prior periods	(94,730)	(180,412)
Total current tax	165,139	284,012
Deferred tax		
Origination and reversal of timing differences	(196,117)	(74,451)
Total tax (credit)/charge	(30,978)	209,561

11 Taxation (Continued)

The actual (credit)/charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2025	2024
	£	£
Profit before taxation	318,203	1,502,713
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2024: 25%)	79,551	375,678
Effects of:		
Expenses that are not deductible in determining taxable profit	232,510	-
Income not taxable in determining taxable profit	(17,099)	(91,666)
Adjustments in respect of prior years	(94,730)	-
Deferred tax adjustments in respect of prior years	(196,117)	(74,451)
Capital allowances	(35,093)	-
Taxation (credit)/charge in the financial statements	(30,978)	209,561

12 Intangible fixed assets

	Goodwill	Software	Total
	£	£	£
Cost			
At 1 October 2024	192,000	70,766	262,766
Additions	-	2,990	2,990
Other movements	(143)	(192)	(335)
At 31 December 2025	191,857	73,564	265,421
Amortisation and impairment			
At 1 October 2024	68,167	56,781	124,948
Amortisation charged for the period	8,750	7,500	16,250
Other movements	(260)	(887)	(1,147)
At 31 December 2025	76,657	63,394	140,051
Carrying amount			
At 31 December 2025	115,200	10,170	125,370
At 30 September 2024	123,833	13,985	137,818

13 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 October 2024	417,008	927,447	400,176	1,542,227	3,286,858
Additions	23,793	49,001	99,869	44,156	216,819
Disposals	(1,653)	(177,326)	(3,470)	(292,819)	(475,268)
Other movements	632	(225)	131	(625)	(87)
At 31 December 2025	439,780	798,897	496,706	1,292,939	3,028,322
Depreciation and impairment					
At 1 October 2024	81,800	314,621	260,697	533,990	1,191,108
Depreciation charged in the period	36,000	117,378	89,580	298,066	541,024
Eliminated in respect of disposals	(998)	(92,018)	(2,520)	(116,008)	(211,544)
Revaluation	105,996	141,107	65,111	23,029	335,243
Other movements	(200)	(470)	(1,454)	(522)	(2,646)
At 31 December 2025	222,598	480,618	411,414	738,555	1,853,185
Carrying amount					
At 31 December 2025	217,182	318,279	85,292	554,384	1,175,137
At 30 September 2024	335,208	612,826	139,479	1,008,237	2,095,750

14 Stocks

	2025	2024
	£	£
Raw materials and consumables	1,557,047	2,433,992
Work in progress	555,000	108,000
	2,112,047	2,541,992

15 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	2,527,259	3,158,323
Amounts owed by group undertakings	1,404,276	135,953
Other debtors	1,461	2,505
Prepayments and accrued income	77,359	187,100
	4,010,355	3,483,881

16 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Obligations under finance leases	18	343,948	280,588
Trade creditors		395,513	2,383,160
Amounts owed to group undertakings		445,272	-
Corporation tax		(118,664)	271,234
Other taxation and social security		448,393	414,485
Other creditors		951,983	980,136
Accruals and deferred income		716,093	582,582
		3,182,538	4,912,185

17 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Obligations under finance leases	18	-	530,650

18 Finance lease obligations

Amounts due:	2025 £	2024 £
Within one year	343,948	280,588
After more than one year	-	530,650
	343,948	811,238

Future minimum lease payments due:	2025 £	2024 £
Within one year	343,948	280,588
In two to five years	-	530,650
	343,948	811,238

Finance lease payments represent rentals payable by the company for certain motor vehicles and plant & machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Assets are secured against the liabilities to which they relate.

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company:

	Liabilities 2025	Liabilities 2024
Balances:	**£**	**£**
Accelerated capital allowances	200,270	396,387

	2025
Movements in the period:	**£**
Liability at 1 October 2024	396,387
Credit to profit or loss	(196,117)
Liability at 31 December 2025	200,270

20 Retirement benefit schemes

	2025	2024
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	492,809	256,376

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

21 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	11,000	11,000	11,000	11,000

22 Reserves

Share premium account

The share premium reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

23 Operating lease commitments

As lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2025	2024
	£	£
Within 1 year	307,860	234,544
Years 2-5	800,155	858,801
	1,108,015	1,093,345

24 Ultimate controlling party

The parent company is Pneumatic Systems Limited, a company registered in England and Wales.

The registered office of the parent company is Technology House, Maylands Avenue, Hemel Hempstead, England, HP2 7DF.

After the balance sheet date and at the signing date of this report the Company's ultimate parent undertaking and ultimate controlling party is Atlas Copco UK Holdings limited, a company incorporated in the United Kingdom and registered in England and Wales, which is the smallest and largest group into which the results of the Company are consolidated.

Copies of the Group's financial statements are available from Atlas Copco UK Holdings Limited. Technology House, Maylands Avenue, Hemel Hempstead, England, HP2 7DF.

25 Cash (absorbed by)/generated from operations

	2025	2024
	£	£
Profit after taxation	349,181	1,293,152
Adjustments for:		
Taxation (credited)/charged	(30,978)	209,561
Finance costs	62,894	53,513
Investment income	(4,237)	-
Gain on disposal of tangible fixed assets	(68,397)	(124,973)
Amortisation and impairment of intangible assets	16,250	16,948
Depreciation and impairment of tangible fixed assets	876,267	481,492
Movements in working capital:		
Decrease in stocks	429,945	299,007
Increase in debtors	(526,474)	(38,881)
Decrease in creditors	(1,403,109)	(1,179,638)
Cash (absorbed by)/generated from operations	(298,658)	1,010,181

26 Analysis of changes in net funds/(debt)

	1 October 2024	Cash flows	31 December 2025
	£	£	£
Cash at bank and in hand	1,299,933	(1,270,701)	29,232
Lease liabilities	(811,238)	467,290	(343,948)
	488,695	(803,411)	(314,716)