

COMPANY REGISTRATION NUMBER: 2332065

**Micro Materials Limited**

**Unaudited Financial Statements**

**For the year ended  
31 March 2019**



**Micro Materials Limited****Statement of Financial Position****31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	5	439,982	356,120
Tangible assets	6	29,476	35,400
		<u>469,458</u>	<u>391,520</u>
<b>Current assets</b>			
Stocks		121,501	182,170
Debtors: due within one year	7	560,746	351,299
Debtors: due after more than one year	7	27,800	27,800
Cash at bank and in hand		220,015	349,931
		<u>930,062</u>	<u>911,200</u>
<b>Creditors: amounts falling due within one year</b>	8	(573,259)	(431,730)
<b>Net current assets</b>		<u>356,803</u>	<u>479,470</u>
<b>Total assets less current liabilities</b>		<u>826,261</u>	<u>870,990</u>
<b>Creditors: amounts falling due after more than one year</b>	9	(513,420)	(378,420)
<b>Provisions</b>			
Taxation including deferred tax		(20,595)	(5,263)
Other provisions		(1,759)	(1,960)
		<u>(22,354)</u>	<u>(7,223)</u>
<b>Net assets</b>		<u>290,487</u>	<u>485,347</u>
<b>Capital and reserves</b>			
Called up share capital		26,316	26,316
Share premium account		5,638	5,638
Profit and loss account		258,533	453,393
<b>Shareholders funds</b>		<u>290,487</u>	<u>485,347</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position  
continues on the following page.  
The notes on pages 3 to 6 form part of these financial statements.

**Micro Materials Limited**

**Statement of Financial Position (continued)**

**31 March 2019**

These financial statements were approved by the board of directors and authorised for issue on 23/12/19 and are signed on behalf of the board by:



Mr P M Grasske  
Director

Company registration number: 2332065

The notes on pages 3 to 6 form part of these financial statements.

## Micro Materials Limited

### Notes to the Financial Statements

Year ended 31 March 2019

---

#### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Willow House, Yale Business Village, Ellice Way, Wrexham, LL13 7YL. The principal activity of the company during the year was that of developing, manufacturing and selling instrumentation for making small-scale mechanical property measurements.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Revenue recognition

Turnover is the amount derived from the provisions of goods and services falling within the company's ordinary activities after deduction of trade discounts and VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which is considered to be at the time of despatch. Revenue recorded at the time of despatch includes an allowance for installation with the estimated installation and warranty costs being accrued in full at the same time. No revenue is recognised if there are significant uncertainties regarding acceptance of an instrument by the customer or recovery of the consideration.

Revenue from service contracts is recognised pro-rata over the contract period.

##### Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

##### Intangible assets

Expenditure on pure and applied research is charged to the profit and loss account in the year in which it is incurred. Development costs are also charged to the profit and loss account in the year of expenditure, except when individual projects satisfy the following criteria: the project is clearly defined; related expenditure is separately identifiable; the project is technically feasible and commercially viable; current and future costs will be exceeded by future sales; adequate resources exist for the project to be completed.

## Micro Materials Limited

### Notes to the Financial Statements (continued)

Year ended 31 March 2019

#### 3. Accounting policies (continued)

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Deferred Development	-	20% straight line
Patents & Software	-	6.25 - 25% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	Over the assets expected economic life
Plant & Machinery	-	20% straight line
Fixtures & Fittings	-	25% straight line
Computer equipment	-	25% straight line

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

##### Government grants and grants from other sources

Grants received such as Regional Enterprise Grants for innovation are amortised over five years so as to match them to the related deferred development expenditure. Grants which do not relate to deferred development expenditure are written off to the profit and loss account as they accrue whilst grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful lives of the assets.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

##### Foreign currency

Transactions in foreign currencies are translated at exchange rates ruling at the date of the transaction or, where forward foreign exchange contracts have been taken out, at the contractual rates. Monetary assets and liabilities denominated in foreign currencies are retranslated at the balance sheet date or if appropriate at the forward contract rate. All difference are taken to the profit and loss account.

#### 4. Staff costs

The average number of persons employed by the company during the year amounted to 17 (2018: 17).

**Micro Materials Limited**

**Notes to the Financial Statements (continued)**

**Year ended 31 March 2019**

**4. Staff costs (continued)**

The aggregate employment costs incurred during the year were:

	2019 £	2018 £
Wages and salaries	636,395	579,143
Social security costs	61,782	57,027
Other pension costs	46,677	47,051
	<u>744,854</u>	<u>683,221</u>

**5. Intangible assets**

	Deferred Development Expenditure £	Patents and Software £	Total £
<b>Cost</b>			
At 1 April 2018	1,538,420	44,557	1,582,977
Additions	261,402	1,110	262,512
<b>At 31 March 2019</b>	<u>1,799,822</u>	<u>45,667</u>	<u>1,845,489</u>
<b>Amortisation</b>			
At 1 April 2018	1,206,045	20,812	1,226,857
Charge for the year	175,368	3,282	178,650
<b>At 31 March 2019</b>	<u>1,381,413</u>	<u>24,094</u>	<u>1,405,507</u>
<b>Carrying amount</b>			
<b>At 31 March 2019</b>	<u>418,409</u>	<u>21,573</u>	<u>439,982</u>
At 31 March 2018	<u>332,375</u>	<u>23,745</u>	<u>356,120</u>

**6. Tangible assets**

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Computer Equipment £	Total £
<b>Cost</b>					
At 1 April 2018	69,245	182,569	24,601	38,920	315,335
Additions	2,788	2,361	817	4,758	10,724
<b>At 31 March 2019</b>	<u>72,033</u>	<u>184,930</u>	<u>25,418</u>	<u>43,678</u>	<u>326,059</u>
<b>Depreciation</b>					
At 1 April 2018	69,245	158,008	22,736	29,946	279,935
Charge for the year	279	10,221	847	5,301	16,648
<b>At 31 March 2019</b>	<u>69,524</u>	<u>168,229</u>	<u>23,583</u>	<u>35,247</u>	<u>296,583</u>
<b>Carrying amount</b>					
<b>At 31 March 2019</b>	<u>2,509</u>	<u>16,701</u>	<u>1,835</u>	<u>8,431</u>	<u>29,476</u>
At 31 March 2018	<u>—</u>	<u>24,561</u>	<u>1,865</u>	<u>8,974</u>	<u>35,400</u>

**7. Debtors**

Debtors falling due within one year are as follows:

	2019 £	2018 £
Trade debtors	439,906	172,230
Prepayments and accrued income	98,059	131,251
Corporation tax repayable	22,781	22,397
Other debtors	—	25,421
	<u>560,746</u>	<u>351,299</u>

**Micro Materials Limited****Notes to the Financial Statements (continued)****Year ended 31 March 2019****7. Debtors (continued)**

Debtors falling due after one year are as follows:

	2019 £	2018 £
Other debtors	<u>27,800</u>	<u>27,800</u>

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

	2019 £	2018 £
Trade creditors	167,218	207,604
Accruals and deferred income	296,215	139,529
Social security and other taxes	38,277	15,137
Other creditors	<u>71,549</u>	<u>69,460</u>
	<u>573,259</u>	<u>431,730</u>

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

	2019 £	2018 £
Shareholder's loans	<u>513,420</u>	<u>378,420</u>

The shareholder loan is secured via a fixed and floating charge on the company's assets.

**10. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Not later than 1 year	51,486	51,486
Later than 1 year and not later than 5 years	<u>154,457</u>	<u>205,942</u>
	<u>205,943</u>	<u>257,428</u>

**11. Related party transactions**

Spantech Products Limited, the company's majority shareholder, has provided the company with loans of £513,420 (2018: £378,420). The loans have been provided on an interest free basis.