REGISTERED NUMBER: 04536297 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD 5 FEBRUARY 2020 TO 31 DECEMBER 2020

FOR

ATOMAR ENGINEERING LIMITED

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FOR THE PERIOD 5 FEBRUARY 2020 TO 31 DECEMBER 2020

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STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	31.12.20		4.2.20	
		£	£	£	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		25,351		31,278
			25,351		31,278
CURRENT ASSETS					
Stocks		2,450		15,658	
Debtors	7	234,282		117,852	
Cash at bank and in hand		115,946		124,495	
		352,678		258,005	
CREDITORS					
Amounts falling due within one year	8	(222,774)		(267,914)	
NET CURRENT ASSETS/(LIABILITIES)			129,904		(9,909)
TOTAL ASSETS LESS CURRENT LIABILITIES			155,255		21,369
CREDITORS					
Amounts falling due after more than one year	9		(76,288)		-
PROVISIONS FOR LIABILITIES			(4,817)		(5,943)
NET ASSETS			74,150		15,426
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			74,050		15,326
			74,150		15,426

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:
(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

continued...

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 29 September 2021 and were signed by:

J C M Hammond - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

The company is a private company limited by shares, registered in England and Wales with registered company number 04536297. The address of the registered office is Unit 27, Chemical Lane, Longport, Stoke-On-Trent, Staffordshire, ST6 4PB. The principal activity of the company during the year was that of the machining and manufacture of fabricated metal products.

2. STATEMENT OF COMPLIANCE

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Going concern
The director has reviewed the company's trading and cash flow position and have provided assurances that they will continue to provide support to the company in order that it may continue its activities, as hitherto. Consequently, the director is of the opinion that the financial statements should be prepared on a going concern basis.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

As described in the accounting policies of the financial statements, depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take in to account actual asset lives and residual values as evidenced by disposals during current and prior periods.

Operating leases
Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

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3. ACCOUNTING POLICIES - continued

Revenue recognition
Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Goodwill
Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

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:

Goodwill - Fully amortised

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

Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss

Government grants
Due to the Covid-19 pandemic, the company has utilised the government backed grants supporting the Company Business Interruption Loan. Grants are recognised as other income when received.

Due to the Covid-19 pandemic, the group has claimed various government backed grants. Grants are recognised as other income when received other than the Coronavirus Job Retention Scheme grants which are recognised as other income in the month to which the payroll costs relates.

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3. ACCOUNTING POLICIES - continued

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.

Financial instruments
A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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3. **ACCOUNTING POLICIES - continued**

Corporation tax

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.

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 period 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.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

4. **EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 7 (2020 - 9) .

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5. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 5 February 2020	
and 31 December 2020	235,000
AMORTISATION	
At 5 February 2020	
and 31 December 2020	235,000
NET BOOK VALUE	
At 31 December 2020	-
At 4 February 2020	-

6. TANGIBLE FIXED ASSETS

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST			
At 5 February 2020			
and 31 December 2020	226,768	9,000	235,768
DEPRECIATION			
At 5 February 2020	199,689	4,801	204,490
Charge for period	4,965	962	5,927
At 31 December 2020	204,654	5,763	210,417
NET BOOK VALUE			
At 31 December 2020	22,114	3,237	25,351
At 4 February 2020	27,079	4,199	31,278

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	4.2.20
	£	£
Trade debtors	74,270	89,873
Amounts owed by group undertakings	134,593	20,125
Other debtors	25,419	7,854
	234,282	117,852

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	4.2.20
	£	£
Bank loans and overdrafts	17,273	-
Trade creditors	19,827	29,634
Taxation and social security	85,715	133,555
Other creditors	99,959	104,725
	222,774	267,914

continued...

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

	31.12.20	4.2.20
	£	£
Bank loans	76,288	-

The company also took out a CBIL loan. The loan was taken in May 2020 with a repayment holiday of 12 months. The loan is repayable by November 2026

Loan interest for the the first 12 months of the loan will be funded by the UK Government, thereafter the interest rate is 3.2% per annum and is payable by the company.

10. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no other significant events up to the date of the approval of the financial statements by the Board.