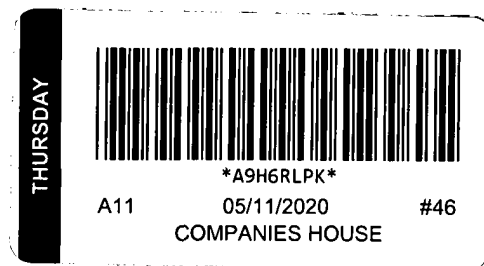


Acer Components & Coatings Limited
Filleted Unaudited Financial Statements
For the period ended
31 July 2020



DEBERE LIMITED
Chartered Accountants
Swallow House
Parsons Road
Washington
Tyne and Wear
NE37 1EZ

Acer Components & Coatings Limited

Financial Statements

Year ended 31 July 2020

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Acer Components & Coatings Limited

Officers and Professional Advisers

Director	Mr R J T Morton
Business address	Unit 13 Faraday Close Pattinson North Industrial Estate Washington Tyne and Wear NE38 8QJ
Registered office	C/O Debere Limited Parsons Road Washington Tyne and Wear NE37 1EZ
Accountants	Debere Limited Chartered Accountants Swallow House Parsons Road Washington Tyne and Wear NE37 1EZ
Bankers	National Westminster Bank plc The Galleries Washington Tyne and Wear NE38 7SG

Acer Components & Coatings Limited

Chartered Accountants Report to the Director on the Preparation of the Unaudited Statutory Financial Statements of Acer Components & Coatings Limited

Year ended 31 July 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Acer Components & Coatings Limited for the year ended 31 July 2020, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the director of Acer Components & Coatings Limited in accordance with the terms of our engagement letter dated 6 July 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Acer Components & Coatings Limited and state those matters that we have agreed to state to you in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Acer Components & Coatings Limited and its director for our work or for this report.

It is your duty to ensure that Acer Components & Coatings Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Acer Components & Coatings Limited. You consider that Acer Components & Coatings Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Acer Components & Coatings Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



DEBERE LIMITED
Chartered Accountants

Swallow House
Parsons Road
Washington
Tyne and Wear
NE37 1EZ

2 November 2020

Acer Components & Coatings Limited

Statement of Financial Position

31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	3,250	4,290
Tangible assets	6	39,405	18,582
		<u>42,655</u>	<u>22,872</u>
Current assets			
Stocks		3,000	5,000
Debtors	7	61,295	40,098
Cash at bank and in hand		35,791	1,188
		<u>100,086</u>	<u>46,286</u>
Creditors: amounts falling due within one year	8	90,107	61,209
Net current assets/(liabilities)		<u>9,979</u>	<u>(14,923)</u>
Total assets less current liabilities		<u>52,634</u>	<u>7,949</u>
Creditors: amounts falling due after more than one year	9	32,611	1,300
Provisions		<u>3,777</u>	<u>1,105</u>
Net assets		<u>16,246</u>	<u>5,544</u>
Capital and reserves			
Called up share capital		150	150
Profit and loss account		16,096	5,394
Shareholders funds		<u>16,246</u>	<u>5,544</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 Section 1A of 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 statement of comprehensive income has not been delivered.

For the year ending 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 5 to 12 form part of these financial statements.

Acer Components & Coatings Limited

Statement of Financial Position *(continued)*

31 July 2020

These financial statements were approved by the board of directors and authorised for issue on 2 November 2020 and are signed on behalf of the board by:



Mr R J T Morton
Director

Company registration number: 11450482

The notes on pages 5 to 11 form part of these financial statements.

Acer Components & Coatings Limited

Notes to the Financial Statements

Year ended 31 July 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is C/O Debere Limited, Parsons Road, Washington, Tyne and Wear, NE37 1EZ.

2. Statement of compliance

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

General Information

The principal activities during the year was that of engineering and coatings.

The company is a private company limited by shares and is incorporated and domiciled in England.

3. Accounting policies

Basis of preparation

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 company meets its day-to-day working capital requirements through its bank facilities. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

3. Accounting policies *(continued)*

Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement after following for any trade discounts due.

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.

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.

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.

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

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:

Software development - 20% 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. 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.

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:

Plant and machinery	- 15% reducing balance
Fixtures and fittings	- 15% reducing balance
Equipment	- 15% reducing balance

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

3. Accounting policies *(continued)*

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.

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 4 (2019: 2).

5. Intangible assets

	Software development £
Cost	
At 1 August 2019 and 31 July 2020	5,200
Amortisation	
At 1 August 2019	910
Charge for the year	1,040
At 31 July 2020	1,950
Carrying amount	
At 31 July 2020	3,250
At 31 July 2019	4,290

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

6. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 August 2019	19,219	1,101	212	20,532
Additions	19,135	5,190	336	24,661
At 31 July 2020	38,354	6,291	548	45,193
Depreciation				
At 1 August 2019	1,767	158	25	1,950
Charge for the year	3,040	732	66	3,838
At 31 July 2020	4,807	890	91	5,788
Carrying amount				
At 31 July 2020	33,547	5,401	457	39,405
At 31 July 2019	17,452	943	187	18,582

7. Debtors

	2020 £	2019 £
Trade debtors	32,799	21,307
Amounts owed by group undertakings and undertakings in which the company has a participating interest	4,375	—
Other debtors	24,121	18,791
	61,295	40,098

Short term debtors are measured at the transaction price.

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	44,529	18,060
Amounts owed to group undertakings and undertakings in which the company has a participating interest	31,341	33,360
Social security and other taxes	10,236	3,498
Other creditors	4,001	6,291
	90,107	61,209

Short term creditors are measured at the transaction price.

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

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

	2020	2019
	£	£
Bank loans and overdrafts	25,000	–
Other creditors	7,611	1,300
	<u>32,611</u>	<u>1,300</u>

Long term creditors are measured at the transaction price.

10. Operating leases

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

	2020	2019
	£	£
Not later than 1 year	14,175	16,200
Later than 1 year and not later than 5 years	–	14,175
	<u>14,175</u>	<u>30,375</u>

11. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2020			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr R J T Morton	–	(4,500)	3,747	(753)
	<u>–</u>	<u>(4,500)</u>	<u>3,747</u>	<u>(753)</u>
	2019			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr R J T Morton	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

Acer Components & Coatings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

12. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2020 £	2019 £	2020 £	2019 £
Entity 1 with control, joint control or significant influence over the company	–	(15,000)	(15,000)	(15,000)
Entity 2 with control, joint control or significant influence over the company	–	(10,000)	(10,000)	(10,000)
Entity 3 with control, joint control or significant influence over the company	2,019	(8,360)	(6,341)	(8,360)
Entity 4 with control, joint control or significant influence over the company	<u>4,375</u>	<u>–</u>	<u>4,375</u>	<u>–</u>

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given.