

# Artec Engineering Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2021

MMO Limited  
Chartered Accountants  
Wellesley House  
204 London Road  
Waterlooville  
Hampshire  
PO7 7AN

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited  
Statutory Accounts of  
Artec Engineering Limited  
for the Year Ended 31 March 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Artec Engineering Limited for the year ended 31 March 2021 as set out on pages 2 to 9 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 <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Artec Engineering Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Artec Engineering Limited and state those matters that we have agreed to state to the Board of Directors of Artec Engineering Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Artec Engineering Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Artec Engineering Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Artec Engineering Limited. You consider that Artec Engineering 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 accounts of Artec Engineering 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 accounts.

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MMO Limited  
Chartered Accountants  
Wellesley House  
204 London Road  
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PO7 7AN

15 December 2021

**Artec Engineering Limited**  
**(Registration number: 00812221)**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	241,886	286,489
<b>Current assets</b>			
Stocks	<u>5</u>	41,642	33,921
Debtors	<u>6</u>	242,986	196,847
Cash at bank and in hand		<u>184,014</u>	<u>283,959</u>
		468,642	514,727
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(392,079)</u>	<u>(287,432)</u>
<b>Net current assets</b>		<u>76,563</u>	<u>227,295</u>
<b>Total assets less current liabilities</b>		318,449	513,784
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(44,586)</u>	<u>(81,648)</u>
<b>Provisions for liabilities</b>		<u>(34,831)</u>	<u>(42,171)</u>
<b>Net assets</b>		<u><u>239,032</u></u>	<u><u>389,965</u></u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	4,200	4,200
Capital redemption reserve		(34,000)	(34,000)
Profit and loss account		<u>268,832</u>	<u>419,765</u>
<b>Shareholders' funds</b>		<u><u>239,032</u></u>	<u><u>389,965</u></u>

For the financial year ending 31 March 2021 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 15 December 2021 and signed on its behalf by:

**Artec Engineering Limited**  
**(Registration number: 00812221)**  
**Balance Sheet as at 31 March 2021**

.....  
PS Kemp  
Director

# **Artec Engineering Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated in England .

The address of its registered office is:

8 Seagull Lane  
North Street  
Emsworth  
Hants  
PO10 7QH

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

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

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

# Artec Engineering Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	10% straight line basis
Fixtures and fittings	10% straight line basis
Motor vehicles	20% straight line basis
Computers	33% straight line basis

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Borrowings

# **Artec Engineering Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 16 (2020 - 17).

# Artec Engineering Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### 4 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £
<b>Cost or valuation</b>				
At 1 April 2020	28,119	453,268	41,705	18,562
At 31 March 2021	28,119	453,268	41,705	18,562
<b>Depreciation</b>				
At 1 April 2020	14,319	205,560	31,573	3,713
Charge for the year	2,705	36,160	2,026	3,712
At 31 March 2021	17,024	241,720	33,599	7,425
<b>Carrying amount</b>				
At 31 March 2021	11,095	211,548	8,106	11,137
At 31 March 2020	13,800	247,708	10,132	14,849
				<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2020				541,654
At 31 March 2021				541,654
<b>Depreciation</b>				
At 1 April 2020				255,165
Charge for the year				44,603
At 31 March 2021				299,768
<b>Carrying amount</b>				
At 31 March 2021				241,886
At 31 March 2020				286,489

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings.

### 5 Stocks

	2021 £	2020 £
Work in progress	39,642	33,921
Other inventories	2,000	-
	41,642	33,921



# Artec Engineering Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### 6 Debtors

	2021 £	2020 £
Trade debtors	239,235	196,324
Other debtors	3,751	523
Total current trade and other debtors	242,986	196,847

### 7 Creditors

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings		36,990	15,033
Trade creditors		136,232	98,733
Social security and other taxes		115,077	57,731
Outstanding defined contribution pension costs		2,312	-
Other payables		1,956	8,166
Accrued expenses		58,215	55,175
Corporation tax liability		41,297	52,594
		392,079	287,432
<b>Due after one year</b>			
Loans and borrowings		44,586	81,648

### 8 Share capital

#### Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	4,000	4,000	4,000	4,000
A Ordinary of £1 each	100	100	100	100
B Ordinary of £1 each	100	100	100	100
	4,200	4,200	4,200	4,200

### 9 Loans and borrowings

	2021 £	2020 £
<b>Non-current loans and borrowings</b>		
HP and finance lease liabilities	44,586	81,648

## Artec Engineering Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

	2021 £	2020 £
<b>Current loans and borrowings</b>		
HP and finance lease liabilities	37,062	35,968
Other borrowings	(72)	(20,935)
	<u>36,990</u>	<u>15,033</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.