

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

ELECTRO-MAG LTD

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FOR THE YEAR ENDED 31 DECEMBER 2020

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ELECTRO-MAG LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS: M W Alexander
Mrs S L Alexander

SECRETARY: M W Alexander

REGISTERED OFFICE: The Barns
42 Church Road
Tilney St Lawrence
King's Lynn
Norfolk
PE34 4QQ

REGISTERED NUMBER: 02812118 (England and Wales)

ACCOUNTANTS: Wheelers
Chartered Accountants & Tax Consultants
27-29 Old Market
Wisbech
Cambridgeshire
PE13 1NE

ELECTRO-MAG LTD (REGISTERED NUMBER: 02812118)**BALANCE SHEET**
31 DECEMBER 2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		92,788		100,345
Investment property	6		<u>160,000</u>		<u>150,000</u>
			252,788		250,345
CURRENT ASSETS					
Stocks		24,811		46,867	
Debtors	7	182,264		207,892	
Cash at bank and in hand		<u>99,909</u>		<u>30,033</u>	
		306,984		284,792	
CREDITORS					
Amounts falling due within one year	8	<u>85,839</u>		<u>97,268</u>	
NET CURRENT ASSETS			<u>221,145</u>		<u>187,524</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			473,933		437,869
CREDITORS					
Amounts falling due after more than one year	9		(90,606)		(136,946)
PROVISIONS FOR LIABILITIES			<u>(8,679)</u>		<u>(6,879)</u>
NET ASSETS			<u>374,648</u>		<u>294,044</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Fair value reserve	11		29,189		21,089
Retained earnings			<u>345,359</u>		<u>272,855</u>
SHAREHOLDERS' FUNDS			<u>374,648</u>		<u>294,044</u>

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

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

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

BALANCE SHEET - 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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 1 September 2021 and were signed on its behalf by:

M W Alexander - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. STATUTORY INFORMATION

Electro-Mag Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The directors believe that the company is well placed to manage its financial risks successfully and have reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. Consequently, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business has been fully amortised.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

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

Leasehold improvements	- 4% on cost
Plant and machinery	- 25% on cost and 25% on reducing balance
Fixtures and fittings	- 33% on cost and 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Government grants

Government grants have been recognised based on the accrual model. As such, government grants in relation to tangible fixed assets are credited to the profit and loss account over the useful lives of the related assets, whereas those in relation to expenditure are credited when the expenditure is charged to the profit and loss.

Investment property

Investment properties in accordance with Financial Reporting Standard 102 are revalued annually and the aggregate surplus or deficit included in total comprehensive income together with a provision for corporation tax on capital gains which would arise if in the future the properties were sold at the balance sheet value. The net amount is not distributable and transferred to a fair value reserve.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 year 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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Consolidation

The parent company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 11 (2019 - 12).

4. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 January 2020 and 31 December 2020	<u>80,000</u>
AMORTISATION	
At 1 January 2020 and 31 December 2020	<u>80,000</u>
NET BOOK VALUE	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2020	154,810	234,989	26,190	18,803	434,792
Additions	945	798	6,227	-	7,970
Disposals	-	-	(8,872)	-	(8,872)
At 31 December 2020	<u>155,755</u>	<u>235,787</u>	<u>23,545</u>	<u>18,803</u>	<u>433,890</u>
DEPRECIATION					
At 1 January 2020	83,027	214,239	20,713	16,468	334,447
Charge for year	6,230	4,909	3,804	584	15,527
Eliminated on disposal	-	-	(8,872)	-	(8,872)
At 31 December 2020	<u>89,257</u>	<u>219,148</u>	<u>15,645</u>	<u>17,052</u>	<u>341,102</u>
NET BOOK VALUE					
At 31 December 2020	<u>66,498</u>	<u>16,639</u>	<u>7,900</u>	<u>1,751</u>	<u>92,788</u>
At 31 December 2019	<u>71,783</u>	<u>20,750</u>	<u>5,477</u>	<u>2,335</u>	<u>100,345</u>

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2020	150,000
Revaluations	<u>10,000</u>
At 31 December 2020	<u>160,000</u>
NET BOOK VALUE	
At 31 December 2020	<u>160,000</u>
At 31 December 2019	<u>150,000</u>

Fair value at 31 December 2020 is represented by:

Valuation in 2020	£ <u>160,000</u>
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If the investment property had not been revalued it would have been included at the following historical cost:

	31.12.20	31.12.19
	£	£
Cost	<u>127,231</u>	<u>127,231</u>

The investment property was valued on an open market basis on 31 December 2020 by the directors .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

7. DEBTORS

	31.12.20	31.12.19
	£	£
Amounts falling due within one year:		
Trade debtors	67,978	78,708
Other debtors	<u>100,705</u>	<u>129,184</u>
	<u>168,683</u>	<u>207,892</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>13,581</u>	<u>-</u>
Aggregate amounts	<u>182,264</u>	<u>207,892</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts	8,465	5,020
Trade creditors	20,579	13,355
Taxation and social security	33,218	29,360
Other creditors	<u>23,577</u>	<u>49,533</u>
	<u>85,839</u>	<u>97,268</u>

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

	31.12.20	31.12.19
	£	£
Bank loans	90,606	49,421
Amounts owed to group undertakings	<u>-</u>	<u>87,525</u>
	<u>90,606</u>	<u>136,946</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans due in more than 5 years	<u>29,017</u>	<u>29,340</u>
	<u>29,017</u>	<u>29,340</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.20	31.12.19
	£	£
Bank loans	<u>49,071</u>	<u>54,441</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. **RESERVES**

	Fair value reserve £
At 1 January 2020	21,089
Reclassification	<u>8,100</u>
At 31 December 2020	<u>29,189</u>

12. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 December 2020 and 31 December 2019:

	31.12.20 £	31.12.19 £
M W Alexander and Mrs S L Alexander		
Balance outstanding at start of year	103,973	105,219
Amounts advanced	129,445	140,996
Amounts repaid	(146,326)	(142,242)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>87,092</u>	<u>103,973</u>

Interest on overdrawn balances in excess of £10,000 per director has been charged at 2.5% per annum until 5 April 2020 and 2.25% per annum thereafter.

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.