

Company Number: 03013552

A.E.M. Products Limited

Unaudited Financial Statements

for the Year Ended 31 December 2017

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A.E.M. Products Limited

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A.E.M. Products Limited

Company Information

Directors I D Robinson
J F Robinson

Company secretary I D Robinson

Registered office Selsey House
Crown Way
Crown Park Industrial Estate
Rushden
Northamptonshire
NN10 6BS

Accountants Hawsons Chartered Accountants
Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL

A.E.M. Products Limited

(Registration number: 03013552)

Statement of Financial Position as at 31 December 2017

| | Note | 2017 £ | 2016 £ |
|---------------------------------------|------|----------------|----------------|
| Non-Current Assets | | | |
| Intangible assets | 3 | - | - |
| Property, Plant and Equipment | 4 | 944,671 | 757,310 |
| | | <u>944,671</u> | <u>757,310</u> |
| Current assets | | | |
| Inventories | | 218,303 | 148,262 |
| Trade and other receivables | 5 | 132,717 | 203,334 |
| Cash at bank and in hand | | 188,868 | 134,969 |
| | | <u>539,888</u> | <u>486,565</u> |
| Current liabilities | 6 | (440,243) | (454,026) |
| Net current assets | | <u>99,645</u> | <u>32,539</u> |
| Total assets less current liabilities | | 1,044,316 | 789,849 |
| Non-current liabilities | 6 | (334,538) | (170,671) |
| Provisions for liabilities | | (150,247) | (108,438) |
| Net assets | | <u>559,531</u> | <u>510,740</u> |
| Equity | | | |
| Called up share capital | | 344,000 | 344,000 |
| Profit and loss account | | 215,531 | 166,740 |
| Total equity | | <u>559,531</u> | <u>510,740</u> |

These annual accounts and reports have been prepared and 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.

For the financial year ending 31 December 2017 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 were approved and authorised for issue by the Board on 23 May 2018 and signed on its behalf by:



I D Robinson

Director

The notes on pages 3 to 5 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 December 2017

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

A.E.M. Products Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements.

The financial statements are presented in sterling, which is the functional currency of the company.

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 were prepared in accordance with Financial Reporting Standard 102 (Section 1A) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

Revenue

Revenue 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. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

Foreign currency transactions and balances

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the statement of financial position date and the exchange differences are included through profit and loss.

Deferred tax

Deferred tax is provided in full on timing differences which represent a liability at the statement of financial position date, at rates expected to apply when they crystallise based on current tax rates and laws. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

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% - 33% reducing balance basis |
| Motor vehicles | 25% reducing balance basis |
| Fixtures and fittings | 25% reducing balance basis |
| Computer equipment | 33.33% straight line basis |
| Leashold property improvements | 10% straight line basis |

Goodwill

Goodwill arising on business combinations is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life. Provision is made for any impairment.

Research and development

Research and development expenditure is written off through profit and loss as incurred.

Inventories

Inventories are stated at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Notes to the Financial Statements for the Year Ended 31 December 2017

1 Accounting policies (continued)

Hire purchase and leasing

Rentals payable under operating leases are charged through profit and loss on a straight line basis over the lease term. 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 statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance costs through profit and loss and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

| | 2017 | 2016 |
|-----------|-------------|-------------|
| | No. | No. |
| Employees | <u>33</u> | <u>24</u> |

3 Intangible assets

| | Goodwill |
|--|-----------------|
| | £ |
| Cost or valuation | |
| At 1 January 2017 and 31 December 2017 | <u>20,600</u> |
| Amortisation | |
| At 1 January 2017 and 31 December 2017 | <u>20,600</u> |
| Carrying amount | |
| At 31 December 2017 | <u>-</u> |
| At 31 December 2016 | <u>-</u> |

Notes to the Financial Statements for the Year Ended 31 December 2017

4 Property, Plant and Equipment

| | Leasehold property improvements £ | Furniture and fittings £ | Motor vehicles £ | Office equipment £ | Plant and machinery £ | Total £ |
|------------------------|--|--------------------------------|------------------------|--------------------------|-----------------------------|------------------|
| Cost | | | | | | |
| At 1 January 2017 | 9,246 | 108,930 | 13,178 | 29,697 | 1,608,355 | 1,769,406 |
| Additions | 2,249 | 4,301 | 69,150 | 6,759 | 273,914 | 356,373 |
| Disposals | - | - | - | - | (61,212) | (61,212) |
| At 31 December 2017 | <u>11,495</u> | <u>113,231</u> | <u>82,328</u> | <u>36,456</u> | <u>1,821,057</u> | <u>2,064,567</u> |
| Depreciation | | | | | | |
| At 1 January 2017 | 3,700 | 84,282 | 11,859 | 23,672 | 888,583 | 1,012,096 |
| Charge for the year | 926 | 6,438 | 1,467 | 5,144 | 113,995 | 127,970 |
| Eliminated on disposal | - | - | - | - | (20,170) | (20,170) |
| At 31 December 2017 | <u>4,626</u> | <u>90,720</u> | <u>13,326</u> | <u>28,816</u> | <u>982,408</u> | <u>1,119,896</u> |
| Carrying amount | | | | | | |
| At 31 December 2017 | <u>6,869</u> | <u>22,511</u> | <u>69,002</u> | <u>7,640</u> | <u>838,649</u> | <u>944,671</u> |
| At 31 December 2016 | <u>5,546</u> | <u>24,648</u> | <u>1,319</u> | <u>6,025</u> | <u>719,772</u> | <u>757,310</u> |

5 Trade and other receivables

| | 2017 £ | 2016 £ |
|-------------------|----------------|----------------|
| Trade receivables | 76,770 | 200,272 |
| Other receivables | 191 | 3,062 |
| VAT receivable | 55,756 | - |
| | <u>132,717</u> | <u>203,334</u> |

6 Trade and other payables

| | 2017 £ | 2016 £ |
|---------------------------------|----------------|----------------|
| Due within one year | | |
| Trade payables | 219,364 | 171,414 |
| Taxation and social security | 16,730 | 45,242 |
| Other creditors | 12,030 | 1,731 |
| Directors' current accounts | 71,441 | 122,927 |
| HP and finance lease (secured) | 115,936 | 108,429 |
| Accrued expenses | 4,742 | 4,283 |
| | <u>440,243</u> | <u>454,026</u> |
| Due after one year | | |
| HP and finance leases (secured) | <u>334,538</u> | <u>170,671</u> |