
ACEGATE (MANUFACTURING) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2017



ACEGATE (MANUFACTURING) LIMITED
REGISTERED NUMBER: 3224139

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	1,497,830	1,816,042
		<u>1,497,830</u>	<u>1,816,042</u>
Current assets			
Stocks	5	170,511	117,219
Debtors: amounts falling due within one year	6	710,774	610,437
Cash at bank and in hand	7	636,322	575,959
		<u>1,517,607</u>	<u>1,303,615</u>
Creditors: amounts falling due within one year	8	(728,392)	(713,040)
Net current assets		<u>789,215</u>	<u>590,575</u>
Total assets less current liabilities		<u>2,287,045</u>	<u>2,406,617</u>
Creditors: amounts falling due after more than one year	9	(477,257)	(691,087)
Provisions for liabilities			
Deferred tax	12	(87,606)	(140,521)
		<u>(87,606)</u>	<u>(140,521)</u>
Net assets		<u>1,722,182</u>	<u>1,575,009</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,722,082	1,574,909
		<u>1,722,182</u>	<u>1,575,009</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

ACEGATE (MANUFACTURING) LIMITED
REGISTERED NUMBER: 3224139

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

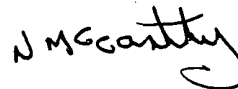
The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 July 2018.

E. Fairclough
Director



N. McCarthy
Director



The notes on pages 3 to 11 form part of these financial statements.

ACEGATE (MANUFACTURING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Acegate Manufacturing Limited is a company limited by shares, incorporated in England and Wales. Its registered office is at Unit C, Mitchell Hey Mills, Rochdale OL12 6AE.

The principal activity of the company is the manufacture of precision engineered sheet metal products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

ACEGATE (MANUFACTURING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

ACEGATE (MANUFACTURING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the basis shown below.

Depreciation is provided on the following basis:

L/Term Leasehold Property	-	2% Straight line
Plant & machinery	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

ACEGATE (MANUFACTURING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

ACEGATE (MANUFACTURING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

Staff costs, including directors' remuneration, were as follows:

The average monthly number of employees, including directors, during the year was 42 (2016 - 40).

4. Tangible fixed assets

	Long Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2017	1,073,812	2,306,605	182,154	3,562,571
Additions	-	1,588	3,917	5,505
At 31 December 2017	1,073,812	2,308,193	186,071	3,568,076
Depreciation				
At 1 January 2017	243,580	1,425,080	77,870	1,746,530
Charge for the year on owned assets	21,021	155,921	24,875	201,817
Charge for the year on financed assets	-	121,900	-	121,900
At 31 December 2017	264,601	1,702,901	102,745	2,070,247
Net book value				
At 31 December 2017	809,211	605,292	83,326	1,497,829
At 31 December 2016	830,233	881,525	104,284	1,816,042

ACEGATE (MANUFACTURING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Long leasehold	809,212	830,232
	<u>809,212</u>	<u>830,232</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	322,475	593,067
Motor vehicles	-	23,123
	<u>322,475</u>	<u>616,190</u>

5. Stocks

	2017 £	2016 £
Raw materials and consumables	7,006	3,029
Work in progress	163,505	114,190
	<u>170,511</u>	<u>117,219</u>

6. Debtors

	2017 £	2016 £
Trade debtors	692,982	592,522
Other debtors	55	55
Prepayments	17,737	17,860
	<u>710,774</u>	<u>610,437</u>

ACEGATE (MANUFACTURING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	636,322	575,959
	<u>636,322</u>	<u>575,959</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	118,052	116,261
Trade creditors	212,409	201,293
Regional growth fund grant	-	24,360
Other taxation and social security	284,551	210,125
Obligations under finance lease and hire purchase contracts	93,990	112,482
Other creditors	10,626	39,361
Accruals	8,764	9,158
	<u>728,392</u>	<u>713,040</u>

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

	2017 £	2016 £
Bank loans	421,693	541,537
Net obligations under finance leases and hire purchase contracts	55,564	149,550
	<u>477,257</u>	<u>691,087</u>

ACEGATE (MANUFACTURING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	118,052	116,261
	<u>118,052</u>	<u>116,261</u>
Amounts falling due 2-5 years		
Bank loans	138,705	217,099
	<u>138,705</u>	<u>217,099</u>
Amounts falling due after more than 5 years		
Bank loans	282,988	324,437
	<u>282,988</u>	<u>324,437</u>
	<u><u>539,745</u></u>	<u><u>657,797</u></u>

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	93,990	112,482
Between 1-5 years	55,564	149,550
	<u>149,554</u>	<u>262,032</u>

ACEGATE (MANUFACTURING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Deferred taxation

	2017 £
At beginning of year	(140,522)
Charged to profit or loss	52,916
At end of year	(87,606)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(87,606)	(140,522)
	<u>(87,606)</u>	<u>(140,522)</u>

The deferred tax liability is expected to reduce by £50,000 in the coming year as Annual Investment Allowances on assets purchased several years ago continues to reverse.

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £45,159 (2016 - £16,091).