

REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
ARMADA ENGINEERING LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022

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ARMADA ENGINEERING LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTORS:

J K Collins
Mrs L J Pooley
D N Tregarthen

REGISTERED OFFICE:

Unit 3
Bickland Industrial Park
FALMOUTH
Cornwall
TR11 4TA

REGISTERED NUMBER:

02454710 (England and Wales)

ACCOUNTANTS:

Lang Bennetts
The Old Carriage Works
Moresk Road
TRURO
Cornwall
TR1 1DG

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the wholesale and retail of industrial hoses, fittings and protective clothing, and the design and installation of complex hydraulic solutions in the marine industry, with specific focus on the superyacht segment.

REVIEW OF BUSINESS

Our 2022 results continue to be influenced by the absence of Russian superyacht segment activity, driven by the ongoing global sanction programme. In consequence, our newly opened Barcelona location lost money again in the year, albeit the trending numbers in the last quarter were more encouraging. Our U.K. operations continued their post Covid recovery and generated acceptable profits within a much more efficient working capital cycle. In 2023, we intend to launch a new mobile engineering team, who will respond to new demand we have seen from across the world, for our specialist hydraulic services

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

J K Collins
Mrs L J Pooley
D N Tregarthen

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mrs L J Pooley - Director

27 April 2023

BALANCE SHEET
31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	5		867,326		917,079
Investments	6		<u>2,633</u>		<u>2,633</u>
			869,959		919,712
CURRENT ASSETS					
Stocks		234,742		213,040	
Debtors	7	697,783		478,484	
Cash at bank and in hand		<u>55,974</u>		<u>201,272</u>	
		988,499		892,796	
CREDITORS					
Amounts falling due within one year	8	<u>473,382</u>		<u>456,663</u>	
NET CURRENT ASSETS			<u>515,117</u>		<u>436,133</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,385,076		1,355,845
CREDITORS					
Amounts falling due after more than one year	9		(551,346)		(676,194)
PROVISIONS FOR LIABILITIES			<u>(61,990)</u>		<u>(35,799)</u>
NET ASSETS			<u>771,740</u>		<u>643,852</u>
CAPITAL AND RESERVES					
Called up share capital			376,333		376,333
Share premium			30,165		30,165
Revaluation reserve			303,932		303,932
Retained earnings			<u>61,310</u>		<u>(66,578)</u>
SHAREHOLDERS' FUNDS			<u>771,740</u>		<u>643,852</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 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 2022

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 27 April 2023 and were signed on its behalf by:

Mrs L J Poolcy - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. **STATUTORY INFORMATION**

Armada Engineering Limited 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.

2. **STATEMENT OF COMPLIANCE**

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.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Armada Engineering Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated 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.

Tangible fixed assets

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

Land and buildings	- Straight line over 50 years
Plant and machinery etc	- 20% on cost and 10% on cost

Stocks

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

Financial instruments

Short term debtors are measured at transaction price, less any impairment.

Short term trade 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 subsequently remeasured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

3. ACCOUNTING POLICIES - continued

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 25 (2021 - 29) .

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST OR VALUATION			
At 1 January 2022	660,000	703,186	1,363,186
Additions	-	9,077	9,077
Disposals	-	(43,557)	(43,557)
At 31 December 2022	660,000	668,706	1,328,706
DEPRECIATION			
At 1 January 2022	8,800	437,307	446,107
Charge for year	2,200	56,450	58,650
Eliminated on disposal	-	(43,377)	(43,377)
At 31 December 2022	11,000	450,380	461,380
NET BOOK VALUE			
At 31 December 2022	649,000	218,326	867,326
At 31 December 2021	651,200	265,879	917,079

Cost or valuation at 31 December 2022 is represented by:

	Land and buildings £	Plant and machinery etc £	Totals £
Valuation in 2022	660,000	668,706	1,328,706

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

5. TANGIBLE FIXED ASSETS - continued

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2022	2021
	£	£
Cost	<u>357,054</u>	<u>357,054</u>
Aggregate depreciation	<u>33,757</u>	<u>33,757</u>

Freehold land and buildings were revalued in 2018 on an open market basis by an independent valuer. The Directors consider this valuation to be remain effective as at 31 December 2022.

Land is carried at its revalued amount and it is not depreciated.

The Net Book Value of fixed assets, included in the above, which are held under hire purchase contracts are as follows:

2022

Motor vehicles: £32,918

Computer equipment: £3,650

2021

Motor vehicles: £48,951

Computer equipment: £6,386

6. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 January 2022	
and 31 December 2022	<u>2,633</u>
NET BOOK VALUE	
At 31 December 2022	<u>2,633</u>
At 31 December 2021	<u>2,633</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	389,873	279,780
Amounts owed by group undertakings	194,049	131,955
Other debtors	<u>113,861</u>	<u>66,749</u>
	<u>697,783</u>	<u>478,484</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts	109,003	107,315
Hire purchase contracts	16,930	20,405
Trade creditors	161,242	142,860
Taxation and social security	70,516	64,447
Other creditors	115,691	121,636
	<u>473,382</u>	<u>456,663</u>

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

	2022	2021
	£	£
Bank loans	522,506	630,424
Hire purchase contracts	5,148	22,078
Other creditors	23,692	23,692
	<u>551,346</u>	<u>676,194</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans - 5 years +	<u>202,016</u>	<u>269,081</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	631,509	737,739
Hire purchase contracts	22,078	42,483
	<u>653,587</u>	<u>780,222</u>

The above secured debts are secured by fixed and floating charges over all of the current and future assets of the company.

11. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

As at the year end £26,464 (2021 - £26,464) was owed to the director. The loan is repayable on demand and a rate of 0% is charged.

As at the year-end a director was owed £23,124 (2021 - £19,124). The amount is repayable on demand and a rate of 0% interest is charged.

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