

# ATLAS INDUSTRIAL ENGINEERING LIMITED

ABBREVIATED ACCOUNTS

31 DECEMBER 2011

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COMPANIES HOUSE

# ATLAS INDUSTRIAL ENGINEERING LIMITED

## ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

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# **ATLAS INDUSTRIAL ENGINEERING LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO ATLAS INDUSTRIAL ENGINEERING LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of Atlas Industrial Engineering Limited for the year ended 31 December 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### **BASIS OF OPINION**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **OPINION**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### **OTHER INFORMATION**

On 20 September 2012 we reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 396 of the Companies Act 2006 for the year ended 31 December 2011, and the full text of the company audit report is reproduced below.

"We have audited the financial statements of Atlas Industrial Engineering Limited for the year ended 31 December 2011 on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# ATLAS INDUSTRIAL ENGINEERING LIMITED

## INDEPENDENT AUDITOR'S REPORT TO ATLAS INDUSTRIAL ENGINEERING LIMITED *(continued)*

### UNDER SECTION 449 OF THE COMPANIES ACT 2006

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#### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

Lynton House  
7 - 12 Tavistock Square  
London  
WC1H 9LT  
27/9/12



MALCOLM LUCAS (Senior Statutory Auditor)  
For and on behalf of  
MENZIES LLP  
Chartered Accountants  
& Statutory Auditor

# ATLAS INDUSTRIAL ENGINEERING LIMITED

## BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>	<b>2</b>		
Tangible assets		29,866	19,953
<b>CURRENT ASSETS</b>			
Stocks		74,056	122,222
Debtors		354,249	490,119
Cash at bank and in hand		76,479	45,609
		<u>504,784</u>	<u>657,950</u>
<b>CREDITORS: Amounts falling due within one year</b>		<u>213,301</u>	<u>421,762</u>
<b>NET CURRENT ASSETS</b>		291,483	236,188
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		321,349	256,141
<b>CREDITORS: Amounts falling due after more than one year</b>		2,341,358	2,000,000
<b>PROVISIONS FOR LIABILITIES</b>		949	949
		<u>(2,020,958)</u>	<u>(1,744,808)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	<b>4</b>	826	826
Share premium account		8,100	8,100
Other reserves		175	175
Profit and loss account		(2,030,059)	(1,753,909)
<b>DEFICIT</b>		<u>(2,020,958)</u>	<u>(1,744,808)</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These accounts were approved by the directors and authorised for issue on 20<sup>th</sup> September 2012 and are signed on their behalf by



Mr N J Earley

Company Registration Number 01685136

The notes on pages 4 to 6 form part of these financial statements

# ATLAS INDUSTRIAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

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### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

#### Going concern

The financial statements record net liabilities amounting to £2,020,958 which indicates that the company may not be able to continue to trade for the foreseeable future

However, the directors have confirmed that certain other companies which fall under their common control and ultimate ownership currently intend to continue to support the company until it is in a position to finance itself and start to repay the loans of £2,341,358 due to connected companies. The directors do not expect to make any substantial loan repayments until the company starts to generate profit and positive cash flow

On the basis of the above, the directors believe it is appropriate to prepare the financial statements on the going concern basis

#### Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

#### Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided during the year in the normal course of business, net of trade discounts, VAT and other sales and related taxes

#### Fixed assets

All fixed assets are initially recorded at cost

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	-	Over the length of the lease
Plant & Machinery	-	20% Straight line
Motor Vehicles	-	20% Straight line
Equipment	-	20% Straight line

#### Stocks

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

#### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

# ATLAS INDUSTRIAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

### 1. ACCOUNTING POLICIES *(continued)*

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

### 2. FIXED ASSETS

	<b>Tangible Assets £</b>
<b>COST</b>	
At 1 January 2011	871,158
Additions	18,685
<b>At 31 December 2011</b>	<b>889,843</b>
<b>DEPRECIATION</b>	
At 1 January 2011	851,205
Charge for year	8,772
<b>At 31 December 2011</b>	<b>859,977</b>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2011</b>	<b>29,866</b>
At 31 December 2010	19,953

# ATLAS INDUSTRIAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

### 3 SHARE CAPITAL

#### Authorised share capital:

	2011 £	2010 £
1,000 Ordinary 'A' shares of £1 each	1,000	1,000
1,000 Ordinary 'B' shares of £1 each	1,000	1,000
	<u>2,000</u>	<u>2,000</u>

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

	2011 No	£	2010 No	£
590 Ordinary 'A' shares of £1 each	590	590	590	590
236 Ordinary 'B' shares of £1 each	236	236	236	236
	<u>826</u>	<u>826</u>	<u>826</u>	<u>826</u>

### 4 ULTIMATE CONTROLLING PARTY

There was no one individual controlling party throughout the course of the year by virtue of the fact that 100% of the company's share capital was divided wholly between two shareholders, Mr N J Earley and Mr R W Empson who each retained a 50% holding respectively