

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
EUROPEAN PRECIOUS METALS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2020

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EUROPEAN PRECIOUS METALS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2020

COMPANY INFORMATION

DIRECTORS:

Mr B F Zillwood
Mr K Zillwood

SECRETARY:

Mr J L Zillwood

REGISTERED OFFICE:

Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

BUSINESS ADDRESS:

Unit 2
The Regent Business Centre
Revenge Road
CHATHAM
Kent
ME5 8UD

REGISTERED NUMBER:

02659255 (England and Wales)

ACCOUNTANTS:

McCabe Ford Williams
Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
Kent
ME10 4AE

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Tangible assets	5		4,434		5,575
CURRENT ASSETS					
Stocks		7,298		11,812	
Debtors	6	56,261		10,430	
Cash at bank and in hand		<u>12,347</u>		<u>14,060</u>	
		75,906		36,302	
CREDITORS					
Amounts falling due within one year	7	<u>30,004</u>		<u>34,872</u>	
NET CURRENT ASSETS			<u>45,902</u>		<u>1,430</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			50,336		7,005
CREDITORS					
Amounts falling due after more than one year	8		(39,028)		(6,124)
PROVISIONS FOR LIABILITIES			<u>(842)</u>		<u>(897)</u>
NET ASSETS/(LIABILITIES)			<u>10,466</u>		<u>(16)</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Retained earnings			<u>10,366</u>		<u>(116)</u>
SHAREHOLDERS' FUNDS			<u>10,466</u>		<u>(16)</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:

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

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - 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 9 August 2021 and were signed on its behalf by:

Mr K Zillwood - Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. STATUTORY INFORMATION

European Precious Metals 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.

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

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 outbreak of COVID-19 which took place during the year has resulted in a pandemic causing extensive disruption across the globe. The UK Government enforced a lockdown from 23 March 2020 and after gradually easing measures enforced a second lockdown from 5 November 2020 until 2 December 2020. A further national lockdown was announced on the 4 January 2021. The company's activities, as with many businesses, have been impacted. However the Government support via a grant was sufficient to help the business continue through lock down. Accordingly this has limited the impact on the company.

The company expects to continue to meet its operational needs, financial and regulatory obligations. The impact of COVID-19 is continuing to evolve at a fast pace, and therefore it is not practicable to quantify the potential financial impact on the company at the time of writing.

The directors consider the reserves and cash resources of the company along with known future contracts to be sufficient to allow the company to continue trading for the foreseeable future. Accordingly the directors consider it appropriate to adopt the going concern basis in preparing the accounts.

Significant judgements and estimates

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets.

Turnover

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

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

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Plant & Equipment	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on cost

Government grants

During the year the company received a Government Grant to support the business with their business costs during the coronavirus pandemic. The amount received totalled £10,000 and has been included in the profit and loss account as government grant income.

Furthermore, notional interest of £4,754 has been included in the profit and loss account under government grant income in respect of the Bounce Back loan as detailed in the Bounce Back loan accounting policy.

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

3. ACCOUNTING POLICIES - continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

c) Impairment of financial assets

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 profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Bounce Back Loan

During the year the company applied for a Bounce Back Loan of £50,000, to support the business during the coronavirus pandemic. As the Government guarantees the loan and the interest within the first year is paid by the Government, the interest is therefore deemed as below market rate and the loan has been discounted within the accounts with the resulting credit to profit and loss being recognised as government grant income.

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

3. ACCOUNTING POLICIES - continued

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Inventories are also assessed for impairment at each reporting date. Each item of inventory is compared to the last sold date and an impairment loss recognised on a percentage basis in profit and loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit and loss.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2019 - 1) .

5. TANGIBLE FIXED ASSETS

	Plant & Equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2020 and 31 December 2020	18,823	4,106	3,661	26,590
DEPRECIATION				
At 1 January 2020	14,714	3,401	2,900	21,015
Charge for year	616	106	419	1,141
At 31 December 2020	15,330	3,507	3,319	22,156
NET BOOK VALUE				
At 31 December 2020	3,493	599	342	4,434
At 31 December 2019	4,109	705	761	5,575

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	6,684	8,930
Directors' Current Accounts	47,876	-
Prepayments	1,701	1,500
	<u>56,261</u>	<u>10,430</u>

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

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts	6,219	-
Trade creditors	2,145	8,853
Other taxes and PAYE taxes	2,719	1,432
VAT	10	711
Other creditors	5,335	1,700
Loan	<u>13,576</u>	<u>22,176</u>
	<u>30,004</u>	<u>34,872</u>

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

	31.12.20	31.12.19
	£	£
Bank loans - 1-2 years	9,968	-
Bank loans - 2-5 years	25,931	-
Bank loans more 5 yr by instal	3,129	-
Directors' Loan Accounts	<u>-</u>	<u>6,124</u>
	<u>39,028</u>	<u>6,124</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>3,129</u>	<u>-</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.20	31.12.19
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

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

10. 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 £
Mr B F Zillwood		
Balance outstanding at start of year	-	-
Amounts advanced	16,000	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>16,000</u>	<u>-</u>
Mr K Zillwood		
Balance outstanding at start of year	(6,124)	(12,711)
Amounts advanced	38,000	6,587
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>31,876</u>	<u>(6,124)</u>

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.