

Charnwood Molecular Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2019

Charnwood Molecular Limited

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Charnwood Molecular Limited

Company Information

Directors Prof S M Allin
Prof P C B Page

Company secretary Prof S M Allin

Registered office The Heritage Building
Prince William Road
Loughborough
Leicestershire
LE11 5GA

Accountants Rafton Associates Ltd
8 Woodland Close
Markfield
Leicestershire
LE67 9QH

Charnwood Molecular Limited
(Registration number: 03550782)
Balance Sheet as at 31 July 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	1,048,246	890,458
Current assets			
Stocks	<u>5</u>	215,000	250,000
Debtors	<u>6</u>	834,542	674,177
Cash at bank and in hand		1,527,368	946,783
		2,576,910	1,870,960
Creditors: Amounts falling due within one year	<u>7</u>	(229,535)	(214,541)
Net current assets		2,347,375	1,656,419
Total assets less current liabilities		3,395,621	2,546,877
Creditors: Amounts falling due after more than one year	<u>7</u>	(191,033)	(224,530)
Net assets		3,204,588	2,322,347
Capital and reserves			
Called up share capital	<u>8</u>	89	100
Capital redemption reserve		(299,989)	-
Profit and loss account		3,504,488	2,322,247
Total equity		3,204,588	2,322,347

The notes on pages 4 to 9 form an integral part of these financial statements.
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Charnwood Molecular Limited
(Registration number: 03550782)
Balance Sheet as at 31 July 2019

For the financial year ending 31 July 2019 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 have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been 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.

Approved and authorised by the Board on 20 August 2019 and signed on its behalf by:

.....

Prof S M Allin
Director

The notes on pages 4 to 9 form an integral part of these financial statements.
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Charnwood Molecular Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Heritage Building
Prince William Road
Loughborough
Leicestershire
LE11 5GA

These financial statements were authorised for issue by the Board on 20 August 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover 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. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Charnwood Molecular Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

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	20% straight line basis
Fixtures and fittings	10% straight line basis
Leasehold property improvements	10% straight line basis
Office equipment	33% straight line basis
Freehold buildings	2% straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements for the Year Ended 31 July 2019

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 54 (2018 - 44).

Charnwood Molecular Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 August 2018	564,899	1,229,438	1,794,337
Additions	-	379,922	379,922
At 31 July 2019	564,899	1,609,360	2,174,259
Depreciation			
At 1 August 2018	69,914	833,970	903,884
Charge for the year	12,148	209,981	222,129
At 31 July 2019	82,062	1,043,951	1,126,013
Carrying amount			
At 31 July 2019	482,837	565,409	1,048,246
At 31 July 2018	494,985	395,473	890,458

Included within the net book value of land and buildings above is £474,861 (2018 - £485,413) in respect of freehold land and buildings and £7,976 (2018 - £9,572) in respect of short leasehold land and buildings.

5 Stocks

	2019 £	2018 £
Raw materials and consumables	200,000	50,000
Work in progress	15,000	200,000
	215,000	250,000

6 Debtors

	2019 £	2018 £
Trade debtors	657,289	525,942
Prepayments	71,759	21,183
Other debtors	105,494	127,052
	834,542	674,177

Charnwood Molecular Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	9	33,393	32,316
Trade creditors		76,977	86,317
Taxation and social security		116,680	87,834
Accruals and deferred income		1,999	8,074
Other creditors		486	-
		<u>229,535</u>	<u>214,541</u>

Creditors include bank loans and overdrafts and which are secured of £33,393 (2018 - £32,316).

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	9	<u>191,033</u>	<u>224,530</u>
		2019 £	2018 £
Due after more than five years			
After more than five years by instalments		71,044	86,106
		<u></u>	<u></u>

Creditors include bank loans and overdrafts which are secured of £191,033 (2018 - £224,530).

Creditors include bank loans repayable by instalments of £71,044.00 (2018 - £86,106.00) due after more than five years.

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	89	89	100	100

Charnwood Molecular Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

9 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	191,033	224,530
	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	33,393	32,316

Bank borrowings

Variable Rate Bank Loan is denominated in £ with a nominal interest rate of 2.4% over base rate%, and the final instalment is due on 31 January 2025. The carrying amount at year end is £85,617 (2018 - £105,657).

Fixed charge over The Heritage Building, 7 Beaumont Court, Prince William Road, Loughborough, LE11 5GA

Fixed Rate Bank Loan is denominated in £ with a nominal interest rate of 4%, and the final instalment is due on 31 January 2030. The carrying amount at year end is £138,809 (2018 - £151,190).

Fixed charge over The Heritage Building, 7 Beaumont Court, Prince William Road, Loughborough, LE11 5GA

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £722,508 (2018 - £916,180). These financial commitments are future minimum lease payments under non-cancellable operating leases

11 Related party transactions

During the year the company has purchased 11 shares back from Loughborough University Enterprises Ltd for a value of £300,000.

Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	337,855	301,077
Contributions paid to money purchase schemes	5,470	5,431
	343,325	306,508

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.