

**Nike Engineering Limited**  
**Annual Report and Financial Statements**  
**Year Ended 31 March 2021**

**Registration number: 04948289**

# Nike Engineering Limited

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# Nike Engineering Limited

## Balance Sheet

31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	68,605	29,216
<b>Current assets</b>			
Stocks	<u>5</u>	5,394	5,338
Debtors	<u>6</u>	100,688	103,903
Cash at bank and in hand		100	100
		<u>106,182</u>	<u>109,341</u>
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	<u>(814,267)</u>	<u>(922,114)</u>
<b>Net current liabilities</b>		<u>(708,085)</u>	<u>(812,773)</u>
<b>Total assets less current liabilities</b>		(639,480)	(783,557)
<b>Provisions for liabilities</b>		<u>(13,710)</u>	-
<b>Net liabilities</b>		<u>(653,190)</u>	<u>(783,557)</u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	100	100
Profit and loss account		<u>(653,290)</u>	<u>(783,657)</u>
Shareholders' deficit		<u>(653,190)</u>	<u>(783,557)</u>

Approved and authorised by the director on 21 July 2021

.....  
Mr S Reid  
Director

Company Registration Number: 04948289

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

# **Nike Engineering Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2021**

### **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:

Unit 2A  
Porthmellon Industrial Estate  
St Mary's  
Isles of Scilly  
TR21 0JY

These financial statements were authorised for issue by the director on 21 July 2021.

### **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. The financial statements are prepared in pounds sterling which is the functional currency of the company.

# Nike Engineering Limited

## Notes to the Financial Statements

### Year Ended 31 March 2021

#### Going concern

In preparing and approving these financial statements the Board have given due consideration to going concern risks, and in particular the impact of the Coronavirus pandemic. The pandemic led to widespread, profound economic shocks, and significantly curtailed the operational activities of the Company. In reaching a conclusion on the going concern assumption the Board considered and factored in the following matters:

- i) The Company continues to be supported financially by its parent company, Isles of Scilly Steamship Company Limited, via an intercompany loan and the parent company has committed to continue this support for the foreseeable future. There is a letter of support from the group and the Company is dependent on this support.
- ii) During the year ended 31 March 2021, the Group accessed substantial grant funding from the Department for Transport in order to support the essential services provided by the Group during the initial lockdown period from April to June 2020 and also in January 2021. The Group received further contracted Government grant funding post year end. This assisted the Group up until 17 May 2021 when the leisure and tourism sector started to open up in accordance with the Government's roadmap out of lockdown. The grant funding meets the losses incurred from running a restricted service and to support the cash outflows that arose during the respective periods of lockdown. The Group remains in close contact with local representatives and the Department for Transport in relation to additional funding should the need arise.
- iii) The Group have prepared budgets and cash flow forecasts (which include the results of the Company) in accordance with expected passenger numbers and freight volumes. This factors in any substantial changes that could arise from further lockdowns and increased competition.
- iv) The Company continues to access the Government's Job Retention Scheme which has assisted with reducing the costs incurred by the Company during the year to 31 March 2021 and post year end.
- v) The Company continues to implement various cost saving measures to minimise the cost base.
- vi) The Group have undertaken outline negotiations with lenders in order to establish the potential borrowings that would be available to the Group should the need arise.
- vii) Operationally, various policies and procedures have been put in place to ensure the health and safety of the Company's employees and passengers. Clearly, in some areas this has given rise to a financial cost, but these steps are necessary and are being adopted by the vast majority of businesses across the UK.
- viii) There are business continuation plans in place to ensure that there is adequate cover for senior management should they become incapacitated.

After due consideration of these factors the directors are satisfied that the Company will be able to operate within the available facilities and continue as a going concern for the foreseeable future – being a period no less than 12 months from the date of approval of these financial statements.

# Nike Engineering Limited

## Notes to the Financial Statements

### Year Ended 31 March 2021

#### Revenue recognition

Turnover represents charges for the supply of engineering services and the sale of automotive fuel. Revenue is recognised when the company fulfils its contractual obligations to customers by supplying goods or services and excludes Value Added Tax.

#### Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tangible assets

Tangible assets are stated in the balance sheet 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.

#### Depreciation

Depreciation is charged so as to write off the cost of assets less residual value, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% straight line
Leasehold property	20% straight line
Office equipment	20% straight line
Motor vehicles	25% straight line

#### 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.

#### Stocks

Stocks are stated at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and selling costs.

#### 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.

# Nike Engineering Limited

## Notes to the Financial Statements

### Year Ended 31 March 2021

#### **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**

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.

#### **Financial instruments**

##### ***Classification***

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Cash and bank balances.

All financial instruments are classified as basic.

##### ***Recognition and measurement***

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 13 (2020 - 15 ).

# Nike Engineering Limited

## Notes to the Financial Statements

Year Ended 31 March 2021

### 4 Tangible assets

	Long leasehold land and buildings £	Motor vehicles £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	10,900	105,108	45,591	161,599
Additions	-	54,736	-	54,736
Disposals	-	(26,195)	-	(26,195)
At 31 March 2021	10,900	133,649	45,591	190,140
<b>Depreciation</b>				
At 1 April 2020	10,900	79,487	41,996	132,383
Charge for the year	-	9,085	894	9,979
Eliminated on disposal	-	(20,827)	-	(20,827)
At 31 March 2021	10,900	67,745	42,890	121,535
<b>Carrying amount</b>				
At 31 March 2021	-	65,904	2,701	68,605
At 31 March 2020	-	25,621	3,595	29,216

### 5 Stocks

	2021 £	2020 £
Other inventories	5,394	5,338

### 6 Debtors

	2021 £	2020 £
Trade debtors	69,689	58,388
Prepayments	30,999	45,515
	100,688	103,903



# Nike Engineering Limited

## Notes to the Financial Statements

Year Ended 31 March 2021

### 7 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
<b>Due within one year</b>		
Trade creditors	324	4,296
Amounts due to group undertakings	793,554	853,490
Social security and other taxes	4,527	4,308
Outstanding defined contribution pension costs	938	843
Accrued expenses	14,924	59,177
	<u>814,267</u>	<u>922,114</u>

### 8 Share capital

Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary shares of £1 each	100	100	100	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# **Nike Engineering Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2021**

### **9 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 £294,000 (2020 - £306,600). The company has operating lease commitments in relation to the lease of the premises from which it operates. The committed rental charges are payable until December 2052.

In addition, there was a capital commitment at the year end of £51,710 (2020 - £nil).

### **10 Parent and ultimate parent undertaking**

The company has taken advantage of the exemption in FRS102.33 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the group.

The company's immediate parent is Isles of Scilly Steamship Company Limited, incorporated in England and Wales.

These financial statements are available upon request from

Hugh Town  
St Mary's  
Isles of Scilly  
TR21 0LJ

### **11 Audit report**

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Andrew Allen BSc FCA, who signed for and on behalf of PKF Francis Clark on 20 August 2021.

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.