

**Tema Engineering Limited**

**Audited Financial Statements for the Year Ended 31 March 2022**

Haines Watts Wales LLP, Statutory Auditors  
7 Neptune Court  
Vanguard Way  
Cardiff  
CF24 5PJ

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for the Year Ended 31 March 2022**

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**Tema Engineering Limited**  
**Company Information**  
**for the Year Ended 31 March 2022**

**Directors:**

Mr M Donovan  
Mr K James  
Mr A Marinos

**Registered office:**

Coleridge Road  
Leckwith Industrial Estate  
Cardiff  
CF11 8BT

**Registered number:**

05458142 (England and Wales)

**Auditors:**

Haines Watts Wales LLP, Statutory Auditors  
7 Neptune Court  
Vanguard Way  
Cardiff  
CF24 5PJ

**Balance Sheet**  
**31 March 2022**

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	4	-	-
Tangible assets	5	<u>255,238</u>	<u>207,044</u>
		<u>255,238</u>	<u>207,044</u>
<b>Current assets</b>			
Stocks		134,774	141,987
Debtors	6	2,525,719	2,237,666
Cash at bank and in hand		<u>502,875</u>	<u>557,322</u>
		3,163,368	2,936,975
<b>Creditors</b>			
Amounts falling due within one year	7	<u>(1,906,119)</u>	<u>(1,745,400)</u>
<b>Net current assets</b>		<u>1,257,249</u>	<u>1,191,575</u>
<b>Total assets less current liabilities</b>		<u>1,512,487</u>	<u>1,398,619</u>
<b>Creditors</b>			
Amounts falling due after more than one year	8	(31,667)	(41,667)
<b>Provisions for liabilities</b>	10	<u>(44,712)</u>	<u>(39,474)</u>
<b>Net assets</b>		<u>1,436,108</u>	<u>1,317,478</u>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Retained earnings		<u>1,436,107</u>	<u>1,317,477</u>
<b>Shareholders' funds</b>		<u>1,436,108</u>	<u>1,317,478</u>

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 22 December 2022 and were signed on its behalf by:

Mr M Donovan - Director

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**1. Statutory information**

Tema 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. Accounting policies**

**Basis of preparing the financial statements**

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

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 in 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 Directors consider that there are no key sources of estimate uncertainty.

**Turnover**

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue represents income recognised in respect of services provided during the period.

**Goodwill**

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill is being amortised evenly over its estimated useful life of 1 year.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- Straight line over the lease term
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

**Work in progress and long-term contracts**

Work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

When the outcome of a transaction involving long-term contracts can be estimated reliably, revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Turnover is calculated as the proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

When the outcome of a long-term contract cannot be estimated reliably, revenue has been recognised equal to the costs incurred as it is probable that the costs will be recovered. Recoverable costs are recognised as a debtor on the balance sheet. Full provision is made for losses on contracts in the year in which they are foreseen.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

2. **Accounting policies - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

**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**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

3. **Employees and directors**

The average number of employees during the year was 46 (2021 - 52 ) .

4. **Intangible fixed assets**

	Goodwill £
<b>Cost</b>	
At 1 April 2021	
and 31 March 2022	<u>1</u>
<b>Amortisation</b>	
At 1 April 2021	
and 31 March 2022	<u>1</u>
<b>Net book value</b>	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>-</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

## 5. Tangible fixed assets

	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
<b>Cost</b>				
At 1 April 2021	12,832	555,306	360,756	928,894
Additions	-	29,538	73,165	102,703
Disposals	-	-	(101,109)	(101,109)
Reclassification/transfer	-	710,557	144,334	854,891
At 31 March 2022	<u>12,832</u>	<u>1,295,401</u>	<u>477,146</u>	<u>1,785,379</u>
<b>Depreciation</b>				
At 1 April 2021	12,832	476,209	232,809	721,850
Charge for year	-	39,517	39,212	78,729
Eliminated on disposal	-	-	(59,440)	(59,440)
Reclassification/transfer	-	673,010	115,992	789,002
At 31 March 2022	<u>12,832</u>	<u>1,188,736</u>	<u>328,573</u>	<u>1,530,141</u>
<b>Net book value</b>				
At 31 March 2022	<u>-</u>	<u>106,665</u>	<u>148,573</u>	<u>255,238</u>
At 31 March 2021	<u>-</u>	<u>79,097</u>	<u>127,947</u>	<u>207,044</u>

The net carrying value of tangible fixed assets include the following in respect of assets held under asset purchase agreements:

		2022	2021
£	£		
Motor vehicles		<u>-</u>	<u>46,534</u>
<b>6. Debtors</b>			
		2022	2021
		£	£
Amounts falling due within one year:			
Trade debtors		800,335	916,414
Amounts recoverable on contract		1,403,730	937,608
Other debtors		221,442	312,513
Tax		39,841	-
Prepayments		60,371	69,381
		<u>2,525,719</u>	<u>2,235,916</u>
Amounts falling due after more than one year:			
Other debtors		<u>-</u>	<u>1,750</u>
Aggregate amounts		<u>2,525,719</u>	<u>2,237,666</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

## 7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	10,000	8,334
Hire purchase contracts	-	19,008
Trade creditors	675,637	373,434
Amounts owed to group undertakings	407,566	91,913
Tax	5,533	32,426
VAT	47,637	336,302
Other creditors	505,952	493,585
Wages & salaries control	60,300	101,813
Directors' current accounts	9,861	2,366
Accrued expenses and deferred income	183,633	286,219
	<u>1,906,119</u>	<u>1,745,400</u>

## 8. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans - 1-2 years	10,000	10,000
Bank loans - 2-5 years	21,667	30,000
Bank loans more 5 yr by instal	-	1,667
	<u>31,667</u>	<u>41,667</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>1,667</u>

## 9. Secured debts

The bank facility is secured by an unlimited Debenture dated 07/07/2009 incorporating a fixed and floating charge.

## 10. Provisions for liabilities

	2022	2021
	£	£
Deferred tax	44,712	24,251
Other provisions	-	15,223
	<u>44,712</u>	<u>39,474</u>
	Deferred tax	Other provisions
	£	£
Balance at 1 April 2021	24,251	15,223
Charge/(credit) to Income Statement during year	20,461	(15,223)
Balance at 31 March 2022	<u>44,712</u>	<u>-</u>

## 11. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
1	Ordinary Share Capital	£1	<u>1</u>	<u>1</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

12. **Disclosure under Section 444(5B) of the Companies Act 2006**

The Report of the Auditors was unqualified.

Victoria Carter (Senior Statutory Auditor)  
for and on behalf of Haines Watts Wales LLP, Statutory Auditors

13. **Directors' advances, credits and guarantees**

The following advances and credits to a director subsisted during the years ended 31 March 2022 and 31 March 2021:

	2022 £	2021 £
<b>Mr M Donovan</b>		
Balance outstanding at start of year	(2,366)	(200)
Amounts advanced	32,505	147,834
Amounts repaid	(40,000)	(150,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(9,861)</u>	<u>(2,366)</u>

14. **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.

**Companies under common control**

During the year the company made recharges of £74,341 (2021: £99,172). The company also made sales of £3,540 (2021: £109,725), purchases of £171,333 (2021: £137,552) and incurred rental costs of £128,558 (2021: £130,000).

	2022 £	2021 £
Amount due to/(from) related party at the balance sheet date	(308,582)	(125,520)

15. **Ultimate controlling party**

The ultimate controlling party is Mr M Donovan.

The company is controlled by Penarth Industrial Services Limited who hold 100% of the issued share capital.

The registered office of the ultimate controlling party is Coleridge Road, Leckwith Industrial Estate, Cardiff, CF11 8BT. The consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

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.