

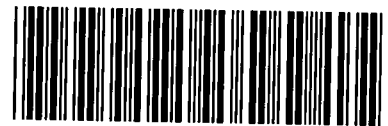
Registration number: 05882888

# Aitchee Engineering Limited

Directors' Report and Financial Statements

for the year ended 31 December 2020

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## **Aitchee Engineering Limited**

### **Company information**

<b>Directors</b>	Mr D Cicurel Dr S Gregory (Managing Director) Mr M Lavelle (Chairman) Mr B Ormsby Mr E Wells Mr M Backshall
<b>Secretary</b>	Mr G Reece
<b>Company number</b>	05882888
<b>Registered Office</b>	52c Borough High Street London SE1 1XN
<b>Auditor</b>	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Regent House 80 Regent Road Leicester LE1 7NH

## **Aitchee Engineering Limited**

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## **Aitchee Engineering Limited**

### **Directors' report for the year ended 31 December 2020**

The directors present their report and the financial statements for the year ended 31 December 2020. In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

#### **Principal activity**

The principal activity of the company in the year continued to be that of the manufacture of a variety of engineering parts and finished products for a number of industries. The statement of comprehensive income is set out on page 7 and shows the loss for the year. The directors remain confident in the company's position in the market place and that it will return to profitability through forward looking management and operational planning.

#### **Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that the ultimate parent company has confirmed its ongoing support. The company therefore continues to adopt the going concern basis in preparing its financial statements. See the Going concern accounting policy on page 10 for more details.

#### **Directors**

The directors who served during the year are as stated below:

Mr D Cicurel  
Mr M Backshall  
Dr S Gregory (Managing Director)  
Mr M Lavelle (Chairman)  
Mr B Ormsby  
Mr E Wells

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## **Aitchee Engineering Limited**

### **Directors' report for the year ended 31 December 2020**

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is the earlier.

This report was approved by the board on 22 March 2021 and signed on its behalf by:



**Mr G Reece**  
**Secretary**

**Aitchee Engineering Limited**  
**Company Registration Number: 05882888**

## **Aitchee Engineering Limited**

### **Independent Auditor's Report to the members of Aitchee Engineering Limited**

#### **Opinion**

We have audited the financial statements of Aitchee Engineering Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the balance sheet, statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework', The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

## **Aitchee Engineering Limited**

### **Independent Auditor's Report to the members of Aitchee Engineering Limited**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' report set out on pages 1 to 2 but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

#### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

## **Aitchee Engineering Limited**

### **Independent Auditor's Report to the members of Aitchee Engineering Limited**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on pages 1 to 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company, and industry in which they operate. We determined that the following laws and regulations were most significant: FRS 101, Companies Act 2006 and UK tax compliance regulations which is the principal jurisdiction in which the company operates. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relate to health and safety, employee matters, environmental, and bribery and corruption practices;
- We understood how the company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of group board minutes;



## Aitchee Engineering Limited

### Independent Auditor's Report to the members of Aitchee Engineering Limited

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud; and
  - challenging assumptions and judgements made by management in its significant accounting estimates; and
  - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
  - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation; and
  - knowledge of the industry in which the client operates.
- Team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue and management override of controls;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the company's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and
  - the applicable statutory provisions; and
  - the company's control environment, including:
    - the policies and procedures implemented to comply with financial reporting requirements, including the adequacy of the training of the finance team including support from head office; and
    - the adequacy of procedures for authorisation of transactions and internal review procedures over the company's transactions.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

*Grant Thornton UK LLP*

Alison Seekings  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Leicester  
22 March 2021

# Aitchee Engineering Limited

## Statement of comprehensive income for the year ended 31 December 2020

		2020 £	2019 £
	Notes		
Turnover	1	647,115	1,119,357
Raw materials and consumables		(233,623)	(276,394)
Other external charges		(106,615)	(78,512)
Staff costs	2	(403,667)	(577,774)
Depreciation		(67,188)	(76,444)
Other operating income	3	14,430	-
<b>Operating (loss)/profit</b>	4	<b>(149,548)</b>	<b>110,233</b>
Interest payable and similar charges	5	(17,968)	(20,785)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(167,516)</b>	<b>89,448</b>
Tax on (loss)/profit on ordinary activities	6	31,822	(16,694)
<b>(Loss)/profit for the financial year and total comprehensive income for the year</b>		<b>(135,694)</b>	<b>72,754</b>

All of the activities of the company are classed as continuing.

The accompanying notes form an integral part of these financial statements.

**Aitchee Engineering Limited****Balance sheet as at 31 December 2020**

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	7		103,921		80,583
Right-of-use leased assets	8		124,440		171,841
			<u>228,361</u>		<u>252,424</u>
<b>Current assets</b>					
Stock	9	180,463		224,841	
Debtors	10	110,916		78,814	
Cash at bank and in hand		<u>44,662</u>		<u>84,558</u>	
		<u>336,041</u>		<u>388,213</u>	
<b>Creditors: amounts falling due within one year</b>					
Trade and other creditors	11	(357,146)		(260,599)	
Right-of-use lease liabilities	12	<u>(46,759)</u>		<u>(45,760)</u>	
		<u>(403,905)</u>		<u>(306,359)</u>	
<b>Net current (liabilities)/assets</b>			<u>(67,864)</u>		<u>81,854</u>
<b>Total assets less current liabilities</b>			<u>160,497</u>		<u>334,278</u>
<b>Creditors: amounts falling due after more than one year</b>					
Right-of-use lease liabilities	12	(88,164)		(133,272)	
Borrowings	13	<u>(270,000)</u>		<u>(270,000)</u>	
		<u>(358,164)</u>		<u>(403,272)</u>	
<b>Deferred tax</b>	14	(7,182)		(161)	
<b>Total net liabilities</b>			<u>(204,849)</u>		<u>(69,155)</u>
<b>Capital and reserves</b>					
Called up share capital	15		2		2
Profit and loss account			<u>(204,851)</u>		<u>(69,157)</u>
<b>Shareholders' funds - all equity</b>			<u>(204,849)</u>		<u>(69,155)</u>

The financial statements were approved by the board of directors on 22 March 2021 and signed on its behalf by:

*Brad Ormsby*

Mr B Ormsby  
Director

The accompanying notes form an integral part of these financial statements.

## Aitchee Engineering Limited

### Statement of changes in equity for the year ended 31 December 2020

	Share capital £	Profit and Loss account £	Total equity £
<b>Balance at 1 January 2020</b>	<b>2</b>	<b>(69,157)</b>	<b>(69,155)</b>
Loss for the year	-	(135,694)	(135,694)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(135,694)</b>	<b>(134,694)</b>
<b>Balance at 31 December 2020</b>	<b>2</b>	<b>(204,851)</b>	<b>(204,849)</b>
 <b>Balance at 1 January 2019</b>	 <b>2</b>	 <b>(141,911)</b>	 <b>(141,909)</b>
Profit for the year	-	72,754	72,754
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>72,754</b>	<b>72,754</b>
<b>Balance at 31 December 2019</b>	<b>2</b>	<b>(69,157)</b>	<b>(69,155)</b>

## **Aitchee Engineering Limited**

### **Statement of accounting policies**

#### **General information**

Aitchee Engineering Limited is a company limited by shares. It was incorporated in England and its registered office is 52c Borough High Street, London, SE1 1XN. The principal activity of the company during the year was the manufacture of a variety of engineering parts and finished products for a number of industries.

#### **Statement of Compliance**

The financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' and are presented in Sterling (£).

#### **Basis of preparation**

The company meets the definition of a qualifying entity under FRS 101. The financial statements have therefore been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

As permitted by FRS 101, for both periods presented, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash flow statement, share based payments, fair value measurements, comparative reconciliations for tangible and intangible assets, standards not yet effective, related party transactions with other wholly-owned members of the group and key management personnel compensation. Equivalent disclosures are, where required, given in the group accounts of Judges Scientific plc. The group accounts of Judges Scientific plc are available to the public.

The financial statements have been prepared on the historical cost basis.

#### **Going concern**

The financial statements have been prepared on a going concern basis. The company ended 2020 with cash of £44,662, compared with cash of £84,558 at the end of 2019.

The directors have considered the ongoing impact of the COVID-19 pandemic, and potential impacts of Brexit, and have also performed reasonably possible stress testing on forecast cashflows, considering potential scenarios from the pandemic and Brexit and, as a result, with the ongoing support of the ultimate parent company, consider that the company is appropriately placed to manage its business risks.

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis in preparing the financial statements.

#### **Use of accounting estimates and judgements**

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

#### **Judgements in applying accounting policies**

- The directors do not consider there to be any significant judgements in applying accounting policies.

## **Aitchee Engineering Limited**

### **Statement of accounting policies**

#### **Sources of estimation uncertainty**

- Stock is carried at the lower of cost and net realisable value which requires an estimation of products' future selling prices. A provision is also recorded to reduce any slow-moving, obsolete or demonstration stock to net realisable value.
- Depreciation rates are based on estimates of the useful lives and residual values of the assets involved;
- Warranty provisions are based on estimates of the likely cost of repairing or replacing faulty units.

The principal accounting policies are set out below.

#### **Turnover**

In accordance with IFRS 15 'Revenues from Contracts with Customers', turnover is measured by reference to the fair value of consideration received or receivable by the company, excluding value added tax, in exchange for transferring the promised goods or services to the customer. The consideration is allocated to each separate performance obligation that is identified in a sales contract, based on stand-alone selling prices. Sales of instruments and spares, and sales of services, such as non-specialised installation, support, training or consultancy, are assessed to be separate performance obligations.

Turnover is recognised when (or as) the company satisfies the identified performance obligation. For sales of instruments, spares and installation, the performance obligation is satisfied at a point in time; for turnover from other services, the performance obligation is satisfied over time. As the period of time between payment and performance is less than one year, the company does not adjust turnover for the effects of financing.

Turnover from sales of instruments and spares is recognised at the point at which the customer obtains control of the asset, which is on the point of despatch to the customer. Turnover from installations is recognised at the point at which the installation is completed.

Turnover from other services is recognised rateably as the performance obligation to the customer is satisfied.

#### **Tangible fixed assets and depreciation**

Fixed assets are initially recorded at cost. Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery:	15% straight line on cost
Fixtures, fittings and equipment:	15%/33% straight line on cost
Motor vehicles:	25% straight line on cost

## **Aitchee Engineering Limited**

### **Statement of accounting policies**

#### **Leasing**

In accordance with IFRS 16, any contract entered into which contains an identified asset, whose use the company has the right to direct throughout the period of the lease, and the right to obtain substantially all of the economic benefits from, is accounted for as a lease. At lease commencement date, the company recognises a right-of-use leased asset and a lease liability on the balance sheet. The lease liability is measured at the present value of the total lease payments due over the life of the lease, discounted using the interest rate implicit in the lease if readily available, or at the company's incremental borrowing rate. The right-of-use asset is measured at cost, being the lease liability, plus any initial direct costs incurred by the company, or lease payments made in advance of the commencement date.

Right-of-use assets are depreciated on a straight-line basis to the end of the lease term.

The company assesses the right-of-use asset for impairment when such indicators exist. Lease liabilities are remeasured to reflect any reassessment or modification of the lease – when the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use leased asset, or in the statement of comprehensive income if the asset is already reduced to zero.

#### **Stock**

Stock and work in progress are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

#### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **Pensions**

The company operates defined contribution pension schemes for employees and directors. The assets of the schemes are held by investment managers separately from those of the company. Contributions payable are charged to the statement of comprehensive income.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of transaction. All differences are taken to the statement of comprehensive income.

## **Aitchee Engineering Limited**

### **Statement of accounting policies**

#### **Taxation**

Current tax is the tax currently payable based on taxable profit or loss for the year.

Deferred taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of those temporary differences can be controlled by the group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income, except:

- where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity, or
- where items are recognised in other comprehensive income, in which case the related deferred tax is recognised in other comprehensive income.

#### **Provisions for warranty claims**

Provisions for warranty claims are recognised when; the company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are discounted where the time value of money is material.

#### **Government grants**

Government grants are recognised at their fair value in the statement of comprehensive income over the same period as the costs to which the grants relate, and is only recognised once there is a reasonable assurance that the company has complied with the conditions of the grant and that the grant will be received.

#### **Equity**

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Profit and loss account" represents retained profits and losses.



## Aitchee Engineering Limited

### Notes to the financial statements for the year ended 31 December 2020

#### 1. REVENUE

Turnover attributable to geographical markets outside the United Kingdom amounted to £nil for the year (2019: £nil).

#### 2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2020 £	2019 £
<b>Staff costs (including directors)</b>		
Wages and salaries	357,552	511,907
Social security costs	34,019	50,333
Other pension costs	12,096	15,534
	<u>403,667</u>	<u>577,774</u>
 <b>Average number of persons employed:</b>	 <b>No.</b>	 <b>No.</b>
Directors	5	5
Manufacturing	8	13
Sales and administration	2	2
	<u>15</u>	<u>20</u>
 <b>Directors' emoluments:</b>	 <b>£</b>	 <b>£</b>
Emoluments	58,702	60,129
Defined contribution pension scheme contributions	2,656	2,760
	<u>61,358</u>	<u>62,889</u>

During the year one director participated in a money purchase pension scheme (2019: one).

## Aitchee Engineering Limited

### Notes to the financial statements for the year ended 31 December 2020

#### 3. OTHER OPERATING INCOME/(CHARGES)

	2020 £	2019 £
Income from government grants	<u>14,430</u>	<u>-</u>
	<u>14,430</u>	<u>-</u>

Income from government grants relates to claims made under the UK government's Coronavirus Job Retention Scheme.

#### 4. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:	2020 £	2019 £
Depreciation of owned fixed assets	19,787	27,000
Depreciation of right-of-use leased assets	47,401	49,444
Auditor's remuneration - audit	<u>3,090</u>	<u>3,000</u>

Fees paid to the company's auditor for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of its ultimate parent undertaking, Judges Scientific plc, are required to disclose non-audit fees on a consolidated basis.

#### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	2020 £	2019 £
Interest payable on right-of-use lease liabilities	4,468	7,285
Other interest payable	<u>13,500</u>	<u>13,500</u>
	<u>17,968</u>	<u>20,785</u>

# Aitchee Engineering Limited

## Notes to the financial statements for the year ended 31 December 2020

### 6. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	2020 £	2019 £
<b>Current tax</b>		
Current tax on (loss)/profit for the year	(38,829)	14,058
Adjustment in respect of prior years	(14)	(14)
<b>Total current tax</b>	<b>(38,843)</b>	<b>14,044</b>
<b>Deferred tax</b>		
Current year	7,002	2,951
Effect of changes in tax rates	19	(311)
Adjustment in respect of prior years	-	10
<b>Total deferred tax</b>	<b>7,021</b>	<b>2,650</b>
<b>Tax per statement of comprehensive income</b>	<b>(31,822)</b>	<b>16,694</b>

The (credit)/charge for the year can be reconciled to the (loss)/profit per the statement of comprehensive income as follows:

	2020 £	2019 £
(Loss)/profit on ordinary activities before tax	(167,516)	89,448
Tax on (loss)/profit at standard UK tax rate of 19% (2019: 19%)	(31,828)	16,995
<b>Effect of:</b>		
Expenses not deductible	1	14
Tax rate changes	19	(311)
Adjustment in respect of prior years	(14)	(4)
<b>Tax per statement of comprehensive income</b>	<b>(31,822)</b>	<b>16,694</b>

# Aitchee Engineering Limited

## Notes to the financial statements for the year ended 31 December 2020

### 7. TANGIBLE FIXED ASSETS

	Motor vehicles £	Plant and machinery £	Office equipment £	Total £
<b>Cost</b>				
At 1 January 2020	6,695	265,914	8,176	280,785
Additions	-	42,207	918	43,125
At 31 December 2020	<b>6,695</b>	<b>308,121</b>	<b>9,094</b>	<b>323,910</b>
<b>Depreciation</b>				
At 1 January 2020	6,695	186,477	7,030	200,202
Charge for the year	-	19,362	425	19,787
At 31 December 2020	<b>6,695</b>	<b>205,839</b>	<b>7,455</b>	<b>219,989</b>
<b>Net book values</b>				
At 31 December 2020	-	<b>102,282</b>	<b>1,639</b>	<b>103,921</b>
At 31 December 2019	-	79,437	1,146	80,583

### 8. RIGHT OF USE LEASED ASSETS

	Leasehold land and buildings £	Motor vehicles £	Office equipment £	Total £
<b>Cost</b>				
At 1 January 2020	207,387	10,112	3,786	221,285
Exit from lease	-	-	(3,786)	(3,786)
At 31 December 2020	<b>207,387</b>	<b>10,112</b>	-	<b>217,499</b>
<b>Depreciation</b>				
At 1 January 2020	41,475	6,741	1,228	49,444
Charge for the year	41,472	3,371	2,558	47,401
Exit from lease	-	-	(3,786)	(3,786)
At 31 December 2020	<b>82,947</b>	<b>10,112</b>	-	<b>93,059</b>
<b>Net book values</b>				
At 31 December 2020	<b>124,440</b>	-	-	<b>124,440</b>
At 31 December 2019	165,912	3,371	2,558	171,841

## Aitchee Engineering Limited

### Notes to the financial statements for the year ended 31 December 2020

#### 9. STOCK

	2020 £	2019 £
Raw materials	143,603	188,488
Work in progress	36,860	36,353
	<u>180,463</u>	<u>224,841</u>

In 2020, a total of £233,623 of inventories was included in the statement of comprehensive income as an expense (2019: £276,394). All inventories form part of the assets pledged as security in respect of bank loans.

#### 10. DEBTORS

	2020 £	2019 £
Trade debtors	3,788	1,744
Amounts owed by group companies	101,448	73,660
Prepayments	5,680	3,410
	<u>110,916</u>	<u>78,814</u>

Trade debtors are stated after a provision of £nil (2019: £nil).

#### 11. CREDITORS

	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Trade creditors	77,512	54,955
Amounts owed to group companies	249,502	124,516
Social security and other taxes	14,904	37,854
Corporation tax payable	-	14,058
Accruals and deferred income	15,228	29,216
	<u>357,146</u>	<u>260,599</u>

## Aitchee Engineering Limited

### Notes to the financial statements for the year ended 31 December 2020

#### 12. RIGHT-OF-USE LEASE LIABILITIES

The company has lease liabilities primarily for its premises used in operations.

##### Maturity of right-of-use lease liabilities:

	2020	2019
	£	£
Due within one year	50,353	53,094
Due between one and five years	90,000	136,710
Total commitment	140,353	189,804
Interest charges included above	(5,430)	(10,772)
Net present value of lease liabilities	134,923	179,032
Current	46,759	45,760
Non-current	88,164	133,272

#### 13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Amounts falling due after more than one year are wholly in respect of a subordinated loan advanced by the ultimate parent undertaking. The interest charge on this loan for the year ended 31 December 2020 was £13,500 (2019: £13,500). The loan is repayable on demand at any time after 30 June 2021 provided that all liabilities to third parties falling due on or before that date have been met.

#### 14. DEFERRED TAX

	£
At 1 January 2020	161
Charge in the year	7,021
At 31 December 2020	7,182

The amounts provided in respect of deferred taxation are computed at the rate of 19% (2019: 17%) and relate to accelerated capital allowances.

#### 15. CALLED UP SHARE CAPITAL

	2020	2019
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

## **Aitchee Engineering Limited**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **16. RELATED PARTY TRANSACTIONS**

As a wholly owned subsidiary of Judges Scientific plc, the company is exempt from the requirements of FRS101 to disclose transactions within the group.

#### **17. ULTIMATE PARENT UNDERTAKING**

The ultimate parent undertaking of this company is Judges Scientific plc, which is incorporated in England and Wales. The only group undertaking for which consolidated accounts are prepared is that headed by Judges Scientific plc. Bank loans advanced to or guaranteed by Judges Scientific plc amounting at 31 December 2020 to £21,214,750 (2019: £14,260,211) are secured on the company's assets.