

Company Registration No. 06310205 (England and Wales)

CFP COMPOSITES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020
PAGES FOR FILING WITH REGISTRAR

CFP COMPOSITES LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 10

CFP COMPOSITES LIMITED

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	3	284,288		304,053	
Tangible assets	4	645,753		810,547	
			930,041		1,114,600
Current assets					
Stocks		140,931		153,822	
Debtors	5	302,924		380,590	
Cash at bank and in hand		293,097		552,416	
			736,952		1,086,828
Creditors: amounts falling due within one year	6	(421,865)		(227,429)	
Net current assets			315,087		859,399
Total assets less current liabilities			1,245,128		1,973,999
Creditors: amounts falling due after more than one year	7		(1,096,819)		(1,240,523)
Net assets			148,309		733,476
Capital and reserves					
Called up share capital	8	4,297,833		4,297,471	
Share premium account		2,406,871		1,920,942	
Profit and loss reserves		(6,556,395)		(5,484,937)	
Total equity			148,309		733,476

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

CFP COMPOSITES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2020

The financial statements were approved by the board of directors and authorised for issue on 1 October 2020 and are signed on its behalf by:

Mr S R Price
Director

Company Registration No. 06310205

CFP COMPOSITES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2020

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 8 August 2018		4,297,207	1,107,633	(4,307,501)	1,097,339
Period ended 31 July 2019:					
Loss and total comprehensive income for the period		-	-	(1,177,436)	(1,177,436)
Issue of share capital	8	264	813,309	-	813,573
Balance at 31 July 2019		4,297,471	1,920,942	(5,484,937)	733,476
Year ended 31 July 2020:					
Loss and total comprehensive income for the year		-	-	(1,071,458)	(1,071,458)
Issue of share capital	8	362	485,929	-	486,291
Balance at 31 July 2020		4,297,833	2,406,871	(6,556,395)	148,309

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Company information

CFP Composites Limited is a private company limited by shares incorporated in England and Wales. The registered office is Regus House, Central Boulevard, Blythe Valley Business Park, Solihull, West Midlands, B90 8AG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	20 years straight line
--------------------	------------------------

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash at bank and in hand only.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade debtors, corporation tax recoverable, other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade creditors, bank loans and overdrafts, tax and social security and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	11	12

3 Intangible fixed assets

	Patents & licences £
Cost	
At 1 August 2019 and 31 July 2020	395,354
Amortisation and impairment	
At 1 August 2019	91,301
Amortisation charged for the year	19,765
At 31 July 2020	111,066
Carrying amount	
At 31 July 2020	284,288
At 31 July 2019	304,053

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 August 2019	1,337,224
Disposals	(83,750)
	<hr/>
At 31 July 2020	1,253,474
	<hr/>
Depreciation and impairment	
At 1 August 2019	526,677
Depreciation charged in the year	114,268
Eliminated in respect of disposals	(33,224)
	<hr/>
At 31 July 2020	607,721
	<hr/>
Carrying amount	
At 31 July 2020	645,753
	<hr/>
At 31 July 2019	810,547
	<hr/>

The net book value of tangible fixed assets includes £7,873 (2019: £9,262) in respect of assets held under finance lease or hire purchase contracts. The depreciation charge in respect of such assets amounted to £1,389 (2019: £488) for the year.

5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	19,250	1,296
Corporation tax recoverable	175,924	218,822
Other debtors	107,750	160,472
	<hr/>	<hr/>
	302,924	380,590
	<hr/>	<hr/>

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	373	-
Trade creditors	150,152	133,165
Taxation and social security	42,370	15,366
Other creditors	228,970	78,898
	<u>421,865</u>	<u>227,429</u>

Included with other creditors are net obligations under hire purchase contract amounting to £3,504 (2019: £9,345) that are secured on the assets to which they relate.

Also included within other creditors is a loan that is secured by a fixed and floating charge over the company's assets.

7 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	20,627	-
Other creditors	1,076,192	1,240,523
	<u>1,096,819</u>	<u>1,240,523</u>

Included with other creditors are net obligations under hire purchase contract amounting to £2,336 (2019: £Nil) that are secured on the assets to which they relate.

8 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
1,025,038 (2019: 1,015,038) Ordinary of 0.1p each	1,025	1,015
1,029,962 (2019: 678,496) A Ordinary of 0.1p each	1,030	678
4,295,778 (2019: 4,295,778) B Non-equity of £1 each	4,295,778	4,295,778
	<u>4,297,833</u>	<u>4,297,471</u>

During the year the company issued 10,000 Ordinary £0.001 shares for a total consideration of £14,000.

Also during the year, the company issued 351,466 Ordinary A £0.001 shares for a total consideration of £492,052. The company incurred legal fees totalling £19,761 in respect of these share issues which has been offset against the share premium reserve.

CFP COMPOSITES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

9 Related party transactions

Included within other creditors falling due within one year is a balance of £55,000 (2019: £55,000) due to a company director. This loan is interest free and repayable on demand.

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.