

GMET Engineering Limited
Filleted Abridged Financial Statements
5 April 2022



GMET Engineering Limited
Abridged Statement of Financial Position

5 April 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	655,019	—
Investments	5	1,500,001	—
		<u>2,155,020</u>	<u>—</u>
Current assets			
Debtors		34,000	—
Cash at bank and in hand		1	1
		<u>34,001</u>	<u>1</u>
Creditors: amounts falling due within one year		<u>484,000</u>	<u>—</u>
Net current (liabilities)/assets		<u>(449,999)</u>	<u>1</u>
Total assets less current liabilities		<u>1,705,021</u>	<u>1</u>
Creditors: amounts falling due after more than one year		<u>1,455,019</u>	<u>—</u>
Net assets		<u>250,002</u>	<u>1</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		250,001	—
Shareholder funds		<u>250,002</u>	<u>1</u>

These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of abridged financial statements.

All of the members have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 5 April 2022 in accordance with Section 444(2A) of the Companies Act 2006.

The abridged statement of financial position
continues on the following page.

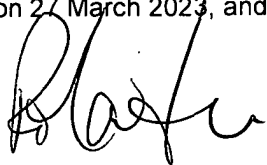
The notes on pages 3 to 7 form part of these abridged financial statements.

GMET Engineering Limited

Abridged Statement of Financial Position *(continued)*

5 April 2022

These abridged financial statements were approved by the board of directors and authorised for issue on 27 March 2023, and are signed on behalf of the board by:



Mr R Mawson
Director

Company registration number: 06829162

The notes on pages 3 to 7 form part of these abridged financial statements.

GMET Engineering Limited

Notes to the Abridged Financial Statements

Year ended 5 April 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is John Bull House, Silecroft, Millom, Cumbria, LA18 5LR, England.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Operating leases

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

GMET Engineering Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 5 April 2022

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

GMET Engineering Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 5 April 2022

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the abridged statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

GMET Engineering Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 5 April 2022

4. Tangible assets

	£
Cost	
At 6 April 2021	—
Additions	655,019
At 5 April 2022	<u>655,019</u>
Depreciation	
At 6 April 2021 and 5 April 2022	—
Carrying amount	
At 5 April 2022	<u>655,019</u>
At 5 April 2021	<u>—</u>

5. Investments

	Shares in group undertakings £
Cost	
At 6 April 2021	—
Additions	1,500,001
At 5 April 2022	<u>1,500,001</u>
Impairment	
At 6 April 2021 and 5 April 2022	—
Carrying amount	
At 5 April 2022	<u>1,500,001</u>
At 5 April 2021	<u>—</u>

Subsidiaries, associates and other investments

	Class of share	Percentage of shares held
Subsidiary undertakings		
TSP Engineering Limited - Curwen Road, Derwent Howe, Workington, Cumbria, United Kingdom, CA14 3YX	Ordinary	100

GMET Engineering Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 5 April 2022

6. Operating leases

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	240,000	—
Later than 1 year and not later than 5 years	480,000	—
	<u>720,000</u>	<u>—</u>

7. Summary audit opinion

The auditor's report for the year dated 27 March 2023 was unqualified.

The senior statutory auditor was Christopher Lamont BSc FCA, for and on behalf of Lamont Pridmore.

8. Related party transactions

The title to property, plant and equipment previously owned by TSP Engineering Limited was transferred to GMET Engineering Limited and GMET Technical Services Limited on 14 March 2022, with exclusive use by TSP Engineering Limited.