

Company Registration No. 09876231 (England and Wales)

**ARMAFIX LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# ARMAFIX LTD

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# ARMAFIX LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets	3		52,539		58,330
Tangible assets	4		192,866		151,122
			<u>245,405</u>		<u>209,452</u>
<b>Current assets</b>					
Stocks		419,031		347,976	
Debtors	5	857,218		766,746	
Cash at bank and in hand		131,435		642	
		<u>1,407,684</u>		<u>1,115,364</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(921,182)</u>		<u>(818,248)</u>	
<b>Net current assets</b>			<u>486,502</u>		<u>297,116</u>
<b>Total assets less current liabilities</b>			<u>731,907</u>		<u>506,568</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(137,595)		(70,651)
<b>Provisions for liabilities</b>			<u>(12,016)</u>		<u>(14,088)</u>
<b>Net assets</b>			<u><u>582,296</u></u>		<u><u>421,829</u></u>
<b>Capital and reserves</b>					
Called up share capital			101,140		101,120
Profit and loss reserves			481,156		320,709
<b>Total equity</b>			<u><u>582,296</u></u>		<u><u>421,829</u></u>

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 December 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.

## **ARMAFIX LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2020***

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The financial statements were approved by the board of directors and authorised for issue on 21 April 2021 and are signed on its behalf by:

Mr T Harmer  
**Director**

**Company Registration No. 09876231**

# ARMAFIX LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Company information

Armafix Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 3 & 4 Benyon Park Way, Leeds, LS12 6DP.

#### 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.

#### 1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

#### 1.5 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.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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:

Software	50% straight-line
Development costs	33% straight-line

#### 1.6 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.

# ARMAFIX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 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	25% on reducing balance
Fixtures and fittings	25% on reducing balance
Office equipment	25% on reducing balance
Motor vehicles	25% 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.

#### 1.7 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 the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply.

#### 1.8 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.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 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.

#### 1.11 Equity instruments

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

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.12 Taxation

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

# ARMAFIX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **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.

#### **1.13 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.14 Retirement benefits**

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

#### **1.15 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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

# ARMAFIX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

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

	2020 Number	2019 Number
Total	23	19

### 3 Intangible fixed assets

	Goodwill	Software	Development costs	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2020	88,000	9,500	-	97,500
Additions - internally developed	-	-	6,300	6,300
At 31 December 2020	88,000	9,500	6,300	103,800
<b>Amortisation and impairment</b>				
At 1 January 2020	32,267	6,903	-	39,170
Amortisation charged for the year	8,800	2,597	694	12,091
At 31 December 2020	41,067	9,500	694	51,261
<b>Carrying amount</b>				
At 31 December 2020	46,933	-	5,606	52,539
At 31 December 2019	55,733	2,597	-	58,330

# ARMAFIX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Office equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2020	26,532	29,476	56,398	127,266	239,672
Additions	1,912	10,720	4,463	112,563	129,658
Disposals	-	-	-	(35,519)	(35,519)
At 31 December 2020	28,444	40,196	60,861	204,310	333,811
<b>Depreciation and impairment</b>					
At 1 January 2020	16,924	14,086	19,003	38,537	88,550
Depreciation charged in the year	2,481	5,107	9,878	41,126	58,592
Eliminated in respect of disposals	-	-	-	(6,197)	(6,197)
At 31 December 2020	19,405	19,193	28,881	73,466	140,945
<b>Carrying amount</b>					
At 31 December 2020	9,039	21,003	31,980	130,844	192,866
At 31 December 2019	9,608	15,390	37,395	88,729	151,122

### 5 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	777,002	712,196
Other debtors	80,216	54,550
	857,218	766,746

### 6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	4,724	228,505
Trade creditors	397,033	297,389
Taxation and social security	260,604	119,222
Other creditors	258,821	173,132
	921,182	818,248

## ARMAFIX LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

**7 Creditors: amounts falling due after more than one year**

	2020 £	2019 £
Bank loans and overdrafts	45,276	-
Other creditors	92,319	70,651
	<u>137,595</u>	<u>70,651</u>

Hire purchase contracts and finance leases are secured on the assets concerned.

**8 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020 £	2019 £
<u>2,000</u>	<u>6,001</u>

**9 Related party transactions**

Included within other creditors due within one year are loans from directors and shareholders totalling £146,509 (2019 - £87,904). The loans have been made on an interest free basis and are repayable on demand.

**10 Directors' transactions**

Included within other debtors due within one year are loans to directors totalling £Nil (2019 - £6,046). No interest has been charged on the loans and they were repaid in full after the balance sheet date and prior to the approval of these financial statements.

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.