Company registration number 02332065 (England and Wales)

MICRO MATERIALS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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MICRO MATERIALS LIMITED

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MICRO MATERIALS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	3		57,973		85,706
Tangible assets	4		15,351		30,417
			73,324		116,123
Current assets					
Stocks		182,673		189,750	
Debtors	5	317,196		791,884	
Cash at bank and in hand		66,286		31,549	
		566,155		1,013,183	
Creditors: amounts falling due within one year	6	(443,099)		(691,760)	
Net current assets			123,056		321,423
Total assets less current liabilities			196,380		437,546
Creditors: amounts falling due after more than one year	7		(587,489)		(527,577)
Net liabilities			(391,109)		(90,031)
Capital and reserves					
Called up share capital	8		26,316		26,316
Share premium account			5,638		5,638
Profit and loss reserves			(423,063)		(121,985)
Total equity			(391,109)		(90,031)

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

For the financial year ended 31 March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

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

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

The financial statements were approved by the board of directors and authorised for issue on 17 March 2025 and are signed on its behalf by:

Dr K Narain
Director

Mr S Narain
Director

Company registration number 02332065 (England and Wales)

1 Accounting policies

Company information
Micro Materials Limited is a private company limited by shares incorporated in England and Wales. The registered office is Willow House, Yale Business Village, Ellice Way, Wrexham, LL13 7YL.

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 the amount derived from the provisions of goods and services falling within the company's ordinary activities after deduction of trade discounts and VAT.
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which is considered to be at the time of despatch. Revenue recorded at the time of despatch includes an allowance for installation with the estimated installation and warranty costs being accrued in full at the same time. No revenue is recognised if there are significant uncertainties regarding acceptance of an instrument by the customer or recovery of the consideration.
Revenue from service contracts is recognised pro-rata over the contract period.

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 other than goodwill

Expenditure on pure and applied research is charged to the profit and loss account in the year in which it is incurred. Development costs are also charged to the profit and loss account in the year of expenditure, except when individual projects satisfy the following criteria: the project is clearly defined; related expenditure is separately identifiable; the project is technically feasible and commercially viable; current and future costs will be exceeded by future sales; adequate resources exist for the project to be completed.

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 & software	6.25% - 25% straight line
Development costs	20% 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.

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:

Leasehold improvements	Over the assets expected economic life
Plant and equipment	20% straight line
Fixtures and fittings	25% straight line
Computer equipment	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.

1.6 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.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1.7 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.

1.8 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.

1.9 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.

1.10 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.

1 Accounting policies **(Continued)**

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.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

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.

1.14 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.

1.15 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:

	2024 Number	2023 Number
Total	17	17

3 Intangible fixed assets

	Patents & software	Development costs	Total
	£	£	£
Cost			
At 1 April 2023 and 31 March 2024	35,255	2,115,520	2,150,775
Amortisation and impairment			
At 1 April 2023	24,242	2,040,827	2,065,069
Amortisation charged for the year	1,437	26,296	27,733
At 31 March 2024	25,679	2,067,123	2,092,802
Carrying amount			
At 31 March 2024	9,576	48,397	57,973
At 31 March 2023	11,013	74,693	85,706

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2023 and 31 March 2024	72,116	255,819	327,935
Depreciation and impairment			
At 1 April 2023	69,467	228,051	297,518
Depreciation charged in the year	631	14,435	15,066
At 31 March 2024	70,098	242,486	312,584
Carrying amount			
At 31 March 2024	2,018	13,333	15,351
At 31 March 2023	2,649	27,768	30,417

5 Debtors

Amounts falling due within one year:	**2024** £	**2023** £
Trade debtors	255,409	687,966
Corporation tax recoverable	9,944	9,944
Other debtors	51,843	93,974
	317,196	791,884

6 Creditors: amounts falling due within one year

	2024 £	**2023** £
Trade creditors	309,055	286,808
Taxation and social security	76,595	62,195
Other creditors	57,449	342,757
	443,099	691,760

7 Creditors: amounts falling due after more than one year

	2024 £	**2023** £
Amounts owed to group undertakings	587,489	527,577

The shareholder loan is secured via a fixed and floating charge on the company's assets.

8 Called up share capital

Ordinary share capital	**2024** Number	**2023** Number	**2024** £	**2023** £
Issued and fully paid				
Ordinary of £1 each	26,316	26,316	26,316	26,316

9 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:

	2024 £	**2023** £
	51,486	51,486

10 Related party transactions

Spantech Products Limited, the company's majority shareholder, has provided the company with loans of £587,489 (2023: £527,577). The loans have been provided on an interest free basis.