

REGISTERED NUMBER: 05254036 (England and Wales)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
RODMATIC LTD**

RODMATIC LTD (REGISTERED NUMBER: 05254036)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

RODMATIC LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTOR: B C Steatham

REGISTERED OFFICE: 30 Portman Road
Reading
Berks
RG30 1PD

REGISTERED NUMBER: 05254036 (England and Wales)

AUDITORS: Haines Watts
Chartered Accountants and Statutory Auditors
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

BALANCE SHEET
31 DECEMBER 2020

		2020		2019 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		808,180		798,923
CURRENT ASSETS					
Stocks		402,501		430,478	
Debtors	5	862,867		1,522,574	
Cash at bank and in hand		136,874		58,542	
		<u>1,402,242</u>		<u>2,011,594</u>	
CREDITORS					
Amounts falling due within one year	6	<u>2,335,335</u>		<u>3,067,866</u>	
NET CURRENT LIABILITIES			<u>(933,093)</u>		<u>(1,056,272)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(124,913)</u>		<u>(257,349)</u>
CREDITORS					
Amounts falling due after more than one year	7		<u>169,134</u>		<u>125,438</u>
NET LIABILITIES			<u>(294,047)</u>		<u>(382,787)</u>
CAPITAL AND RESERVES					
Called up share capital	10		1,029,544		1,029,544
Share premium			151,299		151,299
Retained earnings			<u>(1,474,890)</u>		<u>(1,563,630)</u>
SHAREHOLDERS' FUNDS			<u>(294,047)</u>		<u>(382,787)</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved and authorised for issue by the director and authorised for issue on 10 December 2021 and were signed by:

B C Steatham - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Rodmatic Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Going concern

The company has net current liabilities at the balance sheet date amounting to £933,093. The financial statements have been prepared on a going concern basis which assumes continuing support from the major trade creditors and the company's bank. If this support were to be withdrawn, then the going concern basis may no longer be appropriate and the balance sheet may need to be restated.

The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Directors have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant & machinery - 1 - 20 years, 7.5% & 15% reducing balance

Office equipment - 3 - 5 years

Leasehold Property - 5 - 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Government grants

Government grants are recognised in the income statement in the period in which the expenditure to which they are intended to contribute is incurred.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

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.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

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.

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Operating leases

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Pensions**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 46 (2019 - 49) .

4. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Computer equipment £	Totals £
COST				
At 1 January 2020	20,023	4,324,407	174,842	4,519,272
Additions	1,601	204,860	12,679	219,140
Disposals	-	(141,838)	(2,907)	(144,745)
At 31 December 2020	<u>21,624</u>	<u>4,387,429</u>	<u>184,614</u>	<u>4,593,667</u>
DEPRECIATION				
At 1 January 2020	9,900	3,553,033	157,416	3,720,349
Charge for year	1,206	101,555	5,607	108,368
Eliminated on disposal	-	(40,592)	(2,638)	(43,230)
At 31 December 2020	<u>11,106</u>	<u>3,613,996</u>	<u>160,385</u>	<u>3,785,487</u>
NET BOOK VALUE				
At 31 December 2020	<u>10,518</u>	<u>773,433</u>	<u>24,229</u>	<u>808,180</u>
At 31 December 2019	<u>10,123</u>	<u>771,374</u>	<u>17,426</u>	<u>798,923</u>

The total net book value of assets held under hire purchase contracts at 31 December 2020 was £309,915.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	as	2019
	£		restated £
Trade debtors	640,658		728,151
Other debtors	12,290		536,523
Tax	-		140,390
VAT	62,598		52,028
Prepayments and accrued income	147,321		65,482
	<u>862,867</u>		<u>1,522,574</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	as	2019
	£		restated £
Bank loans and overdrafts	335,631		612,457
Hire purchase contracts (see note 8)	130,384		110,918
Trade creditors	1,536,987		840,534
Taxation and social security	180,996		96,940
Other creditors	151,337		1,407,017
	<u>2,335,335</u>		<u>3,067,866</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	as	2019
	£		restated £
Bank loans	50,000		-
Hire purchase contracts (see note 8)	119,134		125,438
	<u>169,134</u>		<u>125,438</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase 2020 £	as	contracts 2019 restated £
Net obligations repayable:			
Within one year	130,384		110,918
Between one and five years	<u>119,134</u>		<u>125,438</u>
	<u>249,518</u>		<u>236,356</u>
	Non-cancellable 2020 £	as	operating leases 2019 restated £
Within one year	186,250		155,000
Between one and five years	<u>225,000</u>		<u>193,750</u>
	<u>411,250</u>		<u>348,750</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	as	2019 restated £
Bank overdrafts	335,631		612,457
Bank loans	50,000		-
Hire purchase contracts	249,518		236,356
Other creditors	<u>78,728</u>		<u>106,300</u>
	<u>713,877</u>		<u>955,113</u>

The bank overdraft falling due within one year is secured by a fixed and floating charge over the assets of the Company.

The bank loan falling due after one year is secured by a guarantee from the government.

Amounts due under hire purchase contracts falling due within and after one year are secured on the related assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	as restated £
51,477,175	Ordinary A	2p	<u>1,029,544</u>	<u>1,029,544</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Peter Wright, BSc FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts

Conclusions relating to Going Concern

We have nothing to report in respect of the following matters which the ISAs (UK) require us to report to you where:

- the directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for use.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Director's view on the impact of COVID-19 is disclosed in the accounting policy note on Going Concern

12. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £21,520 (2019 - £25,058). A balance of £Nil was owing at the year end (2019 - £Nil).

13. RELATED PARTY DISCLOSURES

As at 31 December 2020, an amount of £3,803 is due to B Steatham (2019 - £14,803), a director and majority shareholder of the Company and an amount of £78,738 (2019 - £106,300) is due to B Steatham's pension fund.

During the year the Company purchased services amounting to £130,823 (2019 - £33,518) from Portrock Limited, a company in which B Steatham is the majority shareholder.

14. ULTIMATE CONTROLLING PARTY

The Company was under the control of Mr B Steatham throughout the current and previous period. Mr Steatham is a director and majority shareholder.

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.