

# Hitek Electronic Materials Limited

Filleted Financial Statements  
for the Year Ended 30 June 2022

# Hitek Electronic Materials Limited

Registration number: 1926845  
Balance Sheet as at 30 June 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	738,384	472,129
Investments	<u>5</u>	5,000	5,000
		<u>743,384</u>	<u>477,129</u>
<b>Current assets</b>			
Stocks		886,061	940,370
Debtors	<u>6</u>	1,041,384	1,130,578
Cash at bank and in hand		1,007,790	1,086,062
		<u>2,935,235</u>	<u>3,157,010</u>
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(940,546)</u>	<u>(875,976)</u>
<b>Net current assets</b>		<u>1,994,689</u>	<u>2,281,034</u>
<b>Total assets less current liabilities</b>		2,738,073	2,758,163
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(37,795)</u>	<u>(71,943)</u>
<b>Provisions for liabilities</b>		<u>(45,177)</u>	<u>(34,631)</u>
<b>Net assets</b>		<u>2,655,101</u>	<u>2,651,589</u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	32,105	32,107
Share premium reserve		45,296	45,296
Capital redemption reserve		2	-
Retained earnings		<u>2,577,698</u>	<u>2,574,186</u>
Shareholders' funds		<u>2,655,101</u>	<u>2,651,589</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 7 November 2022 and signed on its behalf by:

Mr J A Lawton  
Director

# Hitek Electronic Materials Limited

## Notes to the Financial Statements for the Year Ended 30 June 2022

### 1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

15 Wentworth Road  
South Park Industrial Estate  
Scunthorpe  
North Lincolnshire  
DN17 2AX  
Registration number: 1926845.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Group accounts not prepared

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements on the grounds that it is a small sized group.

#### Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 8 November 2022 was Robert Smith BSc FCA, who signed for and on behalf of RNS Chartered Accountants

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts. The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

# Hitek Electronic Materials Limited

## Notes to the Financial Statements for the Year Ended 30 June 2022

### Government grants

Grant income relating to revenue is recognised on an accruals basis. Income is recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support with no future related costs, is recognised as income in the period in which it becomes receivable.

### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Expenditure on leasehold property	straight line on cost over 20 years
Motor vehicles	straight line on cost over 4 years
Plant and machinery	straight line on cost over 5 years
Freehold land and buildings	No depreciation is provided as residual value is equivalent to cost and so any depreciation is immaterial

### Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

# Hitek Electronic Materials Limited

## Notes to the Financial Statements for the Year Ended 30 June 2022

### Trade debtors

Trade debtors are amounts due from customers for goods sold in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured less a provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

At each reporting date, stocks are assessed for impairment. If stocks are 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.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised at the transaction price.

### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

# Hitek Electronic Materials Limited

## Notes to the Financial Statements for the Year Ended 30 June 2022

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 35 (2021 - 31).

## Hitek Electronic Materials Limited

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 4 Tangible assets

	Land and buildings £	Expenditure on leasehold property £	Motor vehicles £	Plant and machinery £	Total £
<b>Cost or valuation</b>					
At 1 July 2021	-	307,629	260,793	346,198	914,620
Additions	220,000	-	109,341	46,939	376,280
Disposals	-	-	(54,448)	-	(54,448)
Transfers	307,629	(307,629)	-	-	-
At 30 June 2022	527,629	-	315,686	393,137	1,236,452
<b>Depreciation</b>					
At 1 July 2021	-	55,717	106,156	280,618	442,491
Charge for the year	-	15,212	67,806	27,007	110,025
Eliminated on disposal	-	-	(54,448)	-	(54,448)
Transfers	70,929	(70,929)	-	-	-
At 30 June 2022	70,929	-	119,514	307,625	498,068
<b>Carrying amount</b>					
At 30 June 2022	456,700	-	196,172	85,512	738,384
At 30 June 2021	-	251,912	154,637	65,580	472,129

Included within the net book value of land and buildings above is £456,700 (2021 - £Nil) in respect of freehold land and buildings.

## Hitek Electronic Materials Limited

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 5 Investments

	2022 £	2021 £
Investments in subsidiaries	5,000	5,000
<b>Subsidiaries</b>		<b>£</b>
<b>Cost or valuation</b>		
At 1 July 2021		5,000
At 30 June 2022		5,000
<b>Carrying amount</b>		
At 30 June 2022		5,000
At 30 June 2021		5,000

#### 6 Debtors

	2022 £	2021 £
<b>Current</b>		
Trade debtors	961,081	889,005
Amounts owed by related parties	80,000	213,761
Other debtors	303	27,812
	1,041,384	1,130,578

#### 7 Creditors

	Note	2022 £	2021 £
<b>Due within one year</b>			
Loans and borrowings	<u>9</u>	5,020	11,447
Trade payables		450,323	527,140
Amounts due to related parties		100,391	-
Social security and other taxes		240,158	238,524
Other payables		144,654	98,865
		940,546	875,976

# Hitek Electronic Materials Limited

## Notes to the Financial Statements for the Year Ended 30 June 2022

### 8 Share capital

#### Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	32,105	32,105	32,105	32,105
Ordinary A shares of £1 each	-	-	2	2
	<u>32,105</u>	<u>32,105</u>	<u>32,107</u>	<u>32,107</u>

### 9 Loans and borrowings

	2022	2021
	£	£
<b>Current loans and borrowings</b>		
Hire purchase contracts	<u>5,020</u>	<u>11,447</u>

	2022	2021
	£	£
<b>Non-current loans and borrowings</b>		
Hire purchase contracts	<u>37,795</u>	<u>71,943</u>

#### Secured liabilities

HP & finance liabilities are secured against the assets to which they relate.

### 10 Financial commitments, guarantees and contingencies

#### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £nil, (2021 - £630,000). The company is party to an intercompany guarantee in respect of their parent company. This has been settled in the period.

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.