

Registered number: 00559230

## **NIC Instruments Limited**

**Financial statements**

**Information for filing with the registrar**

**For the year ended 31 December 2020**

Balance sheet  
As at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	5	219,331	231,220
Tangible assets	6	145,189	156,980
Investments	7	5	5
		<u>364,525</u>	<u>388,205</u>
<b>Current assets</b>			
Stocks		451,484	291,613
Debtors: amounts falling due within one year	8	317,765	598,742
Bank & cash balances		197,972	10
		<u>967,221</u>	<u>890,365</u>
Creditors: amounts falling due within one year	9	(600,364)	(519,528)
		<u>366,857</u>	<u>370,837</u>
<b>Net current assets</b>			
		<u>731,382</u>	<u>759,042</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	10	(50,000)	(18,900)
		<u>681,382</u>	<u>740,142</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital		10,100	10,100
Revaluation reserve		90,990	90,990
Profit and loss account		580,292	639,052
		<u>681,382</u>	<u>740,142</u>

**NIC Instruments Limited**  
**Registered number: 00559230**

**Balance sheet (continued)**  
**As at 31 December 2020**

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 July 2021.

**Mr S Wisbey**  
Director

The notes on pages 3 to 12 form part of these financial statements.

**Notes to the financial statements  
For the year ended 31 December 2020**

**1. General information**

NIC Instruments is a limited liability company incorporated in England with the registration number 00559230. The address of the registered office is Gladstone Road, Folkestone, Kent, CT19 5NF.

**2. Accounting policies**

**2.1 Basis of preparation of 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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company's functional and presentational currency is Pounds Sterling.

The company's financial statements are presented to the nearest Pound.

The following principal accounting policies have been applied:

**2.2 Going concern**

The company meets its day to day working capital requirements through bank facilities in place. The company's forecasts and projections, taking account of possible changes in trading performance, show that the company should be able to operate within the level of its current facility.

Whilst the impact of the COVID-19 pandemic has been assessed by the directors so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the company, its customers and suppliers. However, taking into consideration the UK Government's responses and its range of measures to support businesses, the directors have reasonable expectation that the company will continue its activities for the foreseeable future.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**2.3 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.

Notes to the financial statements  
For the year ended 31 December 2020

2. Accounting policies (continued)

2.4 Intangible assets and amortisation

Research and development consists of labour and materials expenditure capitalised in the year and is valued at cost less accumulated amortisation. Amortisation is calculated to write off the asset over its expected useful life of 3 years. Amortisation is not charged until the point at which the asset becomes in use.

2.5 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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.

Depreciation is provided on the following basis:

Freehold property	- The land is not depreciated. The buildings are depreciated over 50 years.
Plant & machinery	- Three to ten years
Motor vehicles	- Over three 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 profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Stocks and work in progress

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.

**Notes to the financial statements**  
**For the year ended 31 December 2020**

**2. Accounting policies (continued)**

**2.8 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.

**2.9 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.

**2.10 Foreign currency translation**

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 are measured at fair value 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 profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.11 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.12 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.13 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**Notes to the financial statements**  
**For the year ended 31 December 2020**

**2. Accounting policies (continued)**

**2.14 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

**2.15 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 profit or loss 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.

**2.16 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.17 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.18 Taxation**

Tax is recognised in profit or loss 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 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 other 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.

**Notes to the financial statements**  
**For the year ended 31 December 2020**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such that actual outcomes could differ significantly from those estimates.

The following judgements have had the most significant impact on amounts recognised in the financial statements:

**Tangible fixed assets**

The company has recognised tangible fixed assets with a carrying value of £145,189 at the reporting date, see note 6. These assets are stated at their cost less provision for depreciation and impairment. The company's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings, the company determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

**Intangible assets**

The company has recognised intangible assets arising from business combinations with a carrying value of £219,331 at the reporting date, see note 5. On acquisition the company determines a reliable estimate of the useful life of intangible assets based upon factors such as forecasts or expected future results and cash flows, and any legal, regulatory or contractual provisions that can limit useful life. At each subsequent reporting date the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the useful life of intangible assets.

**4. Employees**

The average monthly number of employees, including directors, during the year was 21 (2019 - 26).

Notes to the financial statements  
For the year ended 31 December 2020

5. Intangible assets

	UGV ZEUS £	Large UGV £	Total £
<b>Cost</b>			
At 1 January 2020	1,654,183	51,894	1,706,077
Additions	160,560	-	160,560
At 31 December 2020	<u>1,814,743</u>	<u>51,894</u>	<u>1,866,637</u>
<b>Amortisation</b>			
At 1 January 2020	1,474,857	-	1,474,857
Charge for the year on owned assets	172,449	-	172,449
At 31 December 2020	<u>1,647,306</u>	<u>-</u>	<u>1,647,306</u>
<b>Net book value</b>			
At 31 December 2020	<u>167,437</u>	<u>51,894</u>	<u>219,331</u>
At 31 December 2019	<u>179,326</u>	<u>51,894</u>	<u>231,220</u>

Notes to the financial statements  
For the year ended 31 December 2020

6. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	115,350	1,061,973	97,549	1,274,872
Additions	-	4,202	-	4,202
Disposals	-	-	(31,640)	(31,640)
At 31 December 2020	<u>115,350</u>	<u>1,066,175</u>	<u>65,909</u>	<u>1,247,434</u>
<b>Depreciation</b>				
At 1 January 2020	5,707	1,014,636	97,549	1,117,892
Charge for the year on owned assets	300	15,693	-	15,993
Disposals	-	-	(31,640)	(31,640)
At 31 December 2020	<u>6,007</u>	<u>1,030,329</u>	<u>65,909</u>	<u>1,102,245</u>
<b>Net book value</b>				
At 31 December 2020	<u>109,343</u>	<u>35,846</u>	<u>-</u>	<u>145,189</u>
<b>At 31 December 2019</b>	<u>109,643</u>	<u>47,337</u>	<u>-</u>	<u>156,980</u>

The net book value of land and buildings may be further analysed as follows:

	2020 £	2019 £
Freehold	<u>109,343</u>	109,643
	<u>109,343</u>	<u>109,643</u>

Notes to the financial statements  
For the year ended 31 December 2020

7. Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2020	5
At 31 December 2020	<u>5</u>

8. Debtors

	2020 £	2019 £
Trade debtors	228,615	513,991
Other debtors	75,877	79,137
Prepayments and accrued income	13,273	5,614
	<u>317,765</u>	<u>598,742</u>

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	-	8,997
Bank loans	9,769	19,188
Trade creditors	433,394	374,071
Other taxation and social security	58,190	14,358
Obligations under finance lease and hire purchase contracts	9,131	3,997
Other creditors	77,292	70,616
Accruals and deferred income	12,588	28,301
	<u>600,364</u>	<u>519,528</u>

**Notes to the financial statements**  
**For the year ended 31 December 2020**

**10. Creditors: Amounts falling due after more than one year**

	<b>2020</b>	2019
	<b>£</b>	£
Bank loans	-	9,769
Other loans	<b>50,000</b>	-
Net obligations under finance leases and hire purchase contracts	-	9,131
	<u><b>50,000</b></u>	<u>18,900</u>

The bank loan is secured by the freehold property on Gladstone Road, Folkestone and all other assets. Interest on the loan is charged at 4.5% per annum over the Bank of England Base Rate.

The company has obtained Government support through the Bounce Back Loan Scheme and was granted a loan of £50,000. No interest is paid for the first 12 months.

**11. Loans**

Analysis of the maturity of loans is given below:

	<b>2020</b>	2019
	<b>£</b>	£
<b>Amounts falling due within one year</b>		
Bank loans	<b>9,769</b>	19,188
	<u><b>9,769</b></u>	<u>19,188</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	9,769
Other loans	<b>10,000</b>	-
<b>Amounts falling due 2-5 years</b>		
Other loans	<b>30,000</b>	-
<b>Amounts falling due after more than 5 years</b>		
Other loans	<b>10,000</b>	-
	<u><b>59,769</b></u>	<u>28,957</u>

**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 amount to £19,962 (2019: £21,121). Contributions totalling £10,287 (2019: £3,101) were payable to the fund at the balance sheet data.

**Notes to the financial statements  
For the year ended 31 December 2020**

**13. Related party transactions**

Included within other creditors is a loan of £66,505 (2019: £67,015) owing to Mrs M Wisbey, a shareholder of the company. During the year interest of £Nil (2019: £Nil) was paid on the loan.

Included within other debtors is £8,856 (2019: £10,821) which is due from Mr S Wisbey, a director of the company. Interest at a rate of 5% totalling £435 (2019: £460) has been charged on the loan.

All other related party transactions during the current period and prior periods, including key management personnel compensation, were made under normal market conditions.

**14. Controlling party**

The company is controlled by Mr S Wisbey in virtue of his majority shareholding.

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