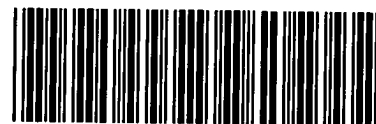


Company Registration No. 03556493 (England and Wales)

**HMI ELEMENTS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 DECEMBER 2024**  
**PAGES FOR FILING WITH REGISTRAR**

TUESDAY



\*AEB71KU1\*

A09

16/09/2025

#92

COMPANIES HOUSE

**HMI ELEMENTS LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 30 DECEMBER 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	3		2,237,519		2,081,897
Tangible assets	4		187,517		193,629
Investments	5		3,242		3,242
			<u>2,428,278</u>		<u>2,278,768</u>
<b>Current assets</b>					
Stocks		2,040,832		2,128,056	
Debtors	6	1,586,697		2,423,002	
Cash at bank and in hand		6,056		170,749	
		<u>3,633,585</u>		<u>4,721,807</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,966,006)</u>		<u>(3,242,855)</u>	
<b>Net current assets</b>			<u>1,667,579</u>		<u>1,478,952</u>
<b>Total assets less current liabilities</b>			<u>4,095,857</u>		<u>3,757,720</u>
<b>Provisions for liabilities</b>	8		<u>(612,673)</u>		<u>(568,081)</u>
<b>Net assets</b>			<u><u>3,483,184</u></u>		<u><u>3,189,639</u></u>
<b>Capital and reserves</b>					
Called up share capital			200,000		200,000
Profit and loss reserves			3,283,184		2,989,639
<b>Total equity</b>			<u><u>3,483,184</u></u>		<u><u>3,189,639</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 December 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.

**HMI ELEMENTS LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 30 DECEMBER 2024**

---

The financial statements were approved by the board of directors and authorised for issue on 19/05/25 ..... and are signed on its behalf by:



.....  
H Gould  
Director

# HMI ELEMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 DECEMBER 2024

---

### 1 Accounting policies

#### Company information

HMi Elements Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 46 Barkston House, Croydon Street, Leeds, West Yorkshire, LS11 9RT.

#### 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.

#### Consolidation

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### Going concern

At the time of approving the financial statements, the directors have an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is generating consistent profits, has adequate cash at bank reserves, and is in a net current asset position. The directors therefore conclude that it is appropriate to prepare the company's financial statements on the basis that it is a going concern.

#### Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligation and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

#### Research and development expenditure

Expenditure on research and development is charged to the income statement in the year in which it is incurred with the exception of expenditure on the development of certain major new product projects where it is able to demonstrate: the technical feasibility of completing the development so the asset would be available for use or sale; its intention to complete the development and to use or sell the asset; its ability to use or sell the asset; how the asset will generate probably future economic benefits; the availability of adequate resources to complete the development and to use or sell the asset; its ability to measure reliably the expenditure attributable to the asset during its development. Such expenditure is capitalised and amortised over a period not longer than 10 years commencing in the year sales of the product are first made. The directors consider this to be appropriate taking into consideration projections and prior experience.

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Product development - 10% straight line basis.

# HMI ELEMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2024

---

### 1 Accounting policies (Continued)

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% straight line basis
Plant and machinery	20% straight line basis

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.

#### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **Stocks**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Cost is computed on a first in first out basis.

#### **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 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.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Impairment of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# HMI ELEMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2024

---

### 1 Accounting policies (Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

#### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

# HMI ELEMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2024

---

### 1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

#### 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.

#### Retirement benefits

The company makes contributions into the personal pension schemes of certain employees and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### Government grants

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.

Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

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.

#### Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account and are shown within turnover.

#### 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.

### 2 Employees

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

	2024 Number	2023 Number
Total	41	37

# HMI ELEMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2024

### 3 Intangible fixed assets

	Product development £
<b>Cost</b>	
At 31 December 2023	4,522,213
Additions	537,312
	<u>5,059,525</u>
At 30 December 2024	5,059,525
<b>Amortisation and impairment</b>	
At 31 December 2023	2,440,316
Amortisation charged for the year	381,690
	<u>2,822,006</u>
At 30 December 2024	2,822,006
<b>Carrying amount</b>	
At 30 December 2024	<u>2,237,519</u>
At 30 December 2023	<u>2,081,897</u>

### 4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
<b>Cost</b>			
At 31 December 2023	540,866	1,066,277	1,607,143
Additions	-	54,259	54,259
	<u>540,866</u>	<u>1,120,536</u>	<u>1,661,402</u>
At 30 December 2024	540,866	1,120,536	1,661,402
<b>Depreciation and impairment</b>			
At 31 December 2023	528,747	884,767	1,413,514
Depreciation charged in the year	4,069	56,302	60,371
	<u>532,816</u>	<u>941,069</u>	<u>1,473,885</u>
At 30 December 2024	532,816	941,069	1,473,885
<b>Carrying amount</b>			
At 30 December 2024	<u>8,050</u>	<u>179,467</u>	<u>187,517</u>
At 30 December 2023	<u>12,119</u>	<u>181,510</u>	<u>193,629</u>

### 5 Fixed asset investments

	2024 £	2023 £
Shares in group undertakings	<u>3,242</u>	<u>3,242</u>

# HMI ELEMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2024

<b>6 Debtors</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	1,135,993	2,117,324
Corporation tax recoverable	51,467	-
Amounts owed by group undertakings	247,012	131,855
Other debtors	152,225	173,823
	<u>1,586,697</u>	<u>2,423,002</u>

<b>7 Creditors: amounts falling due within one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	900,494	929,746
Trade creditors	949,363	1,636,522
Amounts owed to group undertakings	-	485,068
Corporation tax	-	99,018
Other taxation and social security	36,784	32,061
Other creditors	79,365	60,440
	<u>1,966,006</u>	<u>3,242,855</u>

Bank loans and overdrafts of £900,494 (2023 - £929,746), represents bank overdrafts of £166,630 (2023 - £nil), invoice discounting balances of £733,864 (2023 - £898,496) and the short term element of loans under the Coronavirus Business Interruption Loan Scheme ("CBILS") of £nil (2023 - £31,250).

Bank overdrafts are secured by fixed and floating charges over the undertaking and all property and assets present and future of the company. Invoice discounting balances are secured against the company's debtors.

The CBILS loans were taken out in May 2020 and May 2021 respectively. As with other loans of this nature, 80% of the loans are guaranteed by HM Government. The remaining 20% is unsecured.

<b>8 Provisions for liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Warranty provision	21,196	17,090
Deferred tax liabilities	591,477	550,991
	<u>612,673</u>	<u>568,081</u>

Provisions for the expected costs of maintenance under guarantees are charged to the profit and loss account when products have been invoiced. The effect of the time value of money is not material and therefore provisions have not been discounted.