

REGISTERED NUMBER:897292

**WELLFIELD PRECISION TOOLING
COMPANY LIMITED**

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

**PM+M Solutions for Business LLP
Chartered Accountants
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB**



WELLFIELD PRECISION TOOLING COMPANY LIMITED
REGISTERED NUMBER:897292

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	283,433	300,797
Current assets			
Stocks	5	12,452	16,285
Debtors	6	60,107	66,676
Cash at bank and in hand	7	146	10
		<u>72,705</u>	<u>82,971</u>
Creditors: amounts falling due within one year	8	<u>(126,819)</u>	<u>(150,598)</u>
Net current liabilities		<u>(54,114)</u>	<u>(67,627)</u>
Total assets less current liabilities		<u>229,319</u>	<u>233,170</u>
Creditors: amounts falling due after more than one year	9	(22,388)	(51,887)
Net assets		<u><u>206,931</u></u>	<u><u>181,283</u></u>
Capital and reserves			
Called up share capital		48	48
Revaluation reserve	13	134,772	137,271
Other reserves	13	48	48
Profit and loss account	13	72,063	43,916
		<u><u>206,931</u></u>	<u><u>181,283</u></u>

WELLFIELD PRECISION TOOLING COMPANY LIMITED
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BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

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 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 13 September 2017.

Derek Brooks
Director

A handwritten signature in black ink, appearing to read 'Derek Brooks', is written over the printed name and title.

The notes on pages 3 to 11 form part of these financial statements.

WELLFIELD PRECISION TOOLING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

The company is limited by shares. The registered office is Lower Philips Road, Whitebirk Industrial Estate, Blackburn, Lancashire BB1 5QN. The principal activity is precision engineering.

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 following principal accounting policies have been applied:

2.2 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.

2.3 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.

WELLFIELD PRECISION TOOLING COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016****2. Accounting policies (continued)****2.3 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as below.

Depreciation is provided on the following basis:

L/Term Leasehold Property	- 2% on cost
Plant & machinery	- 10 - 20% on cost
Motor vehicles	- 25% on cost

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.

2.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.5 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.

2.6 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.

WELLFIELD PRECISION TOOLING COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)**2.7 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.

2.8 Financial instruments

The Company only enters into basic financial instruments 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.

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 cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 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.

2.12 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

WELLFIELD PRECISION TOOLING COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)**2.13 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.

2.14 Current and deferred 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 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.

3. Employees

The average monthly number of employees, including directors, during the year was 11 (2015 - 11).

WELLFIELD PRECISION TOOLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

4. Tangible fixed assets

	L/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2016	225,000	543,104	4,650	772,754
At 31 December 2016	225,000	543,104	4,650	772,754
Depreciation				
At 1 January 2016	13,500	453,807	4,650	471,957
Charge for the year on owned assets	4,500	1,162	-	5,662
Charge for the year on financed assets	-	11,702	-	11,702
At 31 December 2016	18,000	466,671	4,650	489,321
Net book value				
At 31 December 2016	207,000	76,433	-	283,433
At 31 December 2015	211,500	89,297	-	300,797

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

	2016 £	2015 £
Long leasehold	207,000	211,500
	<u>207,000</u>	<u>211,500</u>

Cost or valuation at 31 December 2016 is as follows:

	Land and buildings £
At cost	-
At valuation:	
December 2012 - market value	225,000
	<u>225,000</u>

WELLFIELD PRECISION TOOLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**4. Tangible fixed assets (continued)**

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £	2015 £
Cost	110,857	110,857
Accumulated depreciation	(32,066)	(30,015)
Net book value	78,791	80,842

5. Stocks

	2016 £	2015 £
Work in progress (goods to be sold)	12,452	16,285
	12,452	16,285

Stock recognised in cost of sales during the year as an expense was £169,386 (2015 - £195,140).

6. Debtors

	2016 £	2015 £
Due after more than one year		
Other debtors	-	947
Due within one year		
Trade debtors	53,116	60,828
Prepayments and accrued income	4,991	4,901
Deferred taxation	2,000	-
	60,107	66,676

WELLFIELD PRECISION TOOLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

7. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	146	10
Less: bank overdrafts	(34,838)	(50,527)
	<u>(34,692)</u>	<u>(50,517)</u>

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	34,838	50,527
Bank loans	11,732	11,470
Trade creditors	15,137	17,653
Corporation tax	753	-
Other taxation and social security	35,060	37,847
Obligations under finance lease and hire purchase contracts	20,190	20,190
Accruals and deferred income	9,109	12,911
	<u>126,819</u>	<u>150,598</u>

The bank loan is repayable in equal monthly instalments over a period of 10 years, commencing in 2008 at an interest rate of 2.25% over Barclays bank base rate.

The loan and overdraft are secured by a charge on the company's property.

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

9. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	3,882	13,191
Net obligations under finance leases and hire purchase contracts	18,506	38,696
	<u>22,388</u>	<u>51,887</u>

Secured loans

The bank loan is secured by a charge on the company's property.

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

WELLFIELD PRECISION TOOLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**10. Loans**

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	11,732	11,470
Amounts falling due 1-2 years		
Bank loans	3,882	11,788
Amounts falling due 2-5 years		
Bank loans	-	1,403
	<u>15,614</u>	<u>24,661</u>

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	20,190	20,190
Between 1-2 years	18,506	20,190
Between 2-5 years	-	18,506
	<u>38,696</u>	<u>58,886</u>

12. Deferred taxation

	2016 £
Charged to profit or loss	2,000
At end of year	<u>2,000</u>

WELLFIELD PRECISION TOOLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**12. Deferred taxation (continued)**

The deferred tax asset is made up as follows:

	2016 £
Accelerated capital allowances	(2,500)
Tax losses carried forward	4,500
	<u>2,000</u>

13. Reserves**Revaluation reserve**

The revaluation reserve represents the cumulative effect of revaluations of land and buildings. The current year revaluation reserve amounts to £134,772 (2015 - £137,271)

Profit & loss account

The profit and loss account reserve represents cumulative retained profits. At 31 December 2016 the balance on reserve is £72,063 (2015 - £43,916).

14. 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 £3,016 (2015 - £4,449). No contributions were payable to the fund at each balance sheet date.

15. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.