

MECHAN LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2015**

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16/07/2015

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COMPANIES HOUSE

MECHAN LIMITED

**INDEPENDENT AUDITORS' REPORT TO MECHAN LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Mechan Limited for the year ended 31 March 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with the regulations made under that section.



ANDREW IRVINE (Senior Statutory Auditor)

for and on behalf of

Shorts

Chartered Accountants
Statutory Auditor

2 Ashgate Road
Chesterfield
S40 4AA

25 June 2015

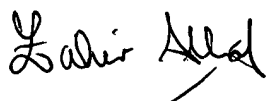
MECHAN LIMITED
REGISTERED NUMBER: 00947728

ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	3		38,924		31,568
CURRENT ASSETS					
Stocks		995,824		458,750	
Debtors		1,520,755		853,461	
Cash at bank and in hand		487,155		455,979	
		<u>3,003,734</u>		<u>1,768,190</u>	
CREDITORS: amounts falling due within one year	4	(2,398,117)		(1,365,351)	
NET CURRENT ASSETS			605,617		402,839
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>644,541</u>		<u>434,407</u>
PROVISIONS FOR LIABILITIES					
Deferred tax			(3,215)		(3,596)
NET ASSETS			<u>641,326</u>		<u>430,811</u>
CAPITAL AND RESERVES					
Called up share capital	5		77,210		77,210
Share premium account			16,551		16,551
Capital redemption reserve			16,434		16,434
Profit and loss account			531,131		320,616
SHAREHOLDERS' FUNDS			<u>641,326</u>		<u>430,811</u>

The abbreviated accounts, which 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, were approved and authorised for issue by the board and were signed on its behalf on 25 June 2015.

Z Altaf
Director



R A Carr
Director



The notes on pages 3 to 6 form part of these financial statements.

MECHAN LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

In respect of long-term contracts, and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

S/Term Leasehold Property	-	10% straight line
Plant and machinery	-	10 - 33.3% straight line
Motor vehicles	-	25% reducing balance

1.4 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

MECHAN LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. ACCOUNTING POLICIES (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.9 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

2. INTANGIBLE FIXED ASSETS

	£
Cost	
At 1 April 2014 and 31 March 2015	<u>37,954</u>
Amortisation	
At 1 April 2014 and 31 March 2015	<u>37,954</u>
Net book value	
At 31 March 2015	<u><u>-</u></u>
At 31 March 2014	<u><u>-</u></u>

MECHAN LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2015**

3. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 April 2014	113,895
Additions	17,228
Disposals	(12,999)
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At 31 March 2015	118,124
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Depreciation	
At 1 April 2014	82,327
Charge for the year	4,960
On disposals	(8,087)
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At 31 March 2015	79,200
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Net book value	
At 31 March 2015	38,924
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At 31 March 2014	31,568
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4. CREDITORS:

Amounts falling due within one year

Included within creditors falling due within one year are secured liabilities in respect of bank loans and overdrafts of £7,456 (2014: £9,132).

5. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
60,916 Ordinary A shares of £1 each	60,916	60,916
16,294 Ordinary B shares of £1 each	16,294	16,294
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	77,210	77,210
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6. DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES

Included within debtors are loans to two directors of the company. Both loans are for £10,000, totalling £20,000 and are interest free with no fixed date for repayment.

MECHAN LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2015**

7. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Mechan Group Limited and was under the control of the directors throughout the current and previous year.