
SANDHURST MANUFACTURING COMPANY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

WEDNESDAY



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SANDHURST MANUFACTURING COMPANY LIMITED
REGISTERED NUMBER: 01071050

BALANCE SHEET
AS AT 31 MAY 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	65,037	56,386
Current assets			
Stocks	5	182,956	61,035
Debtors: amounts falling due within one year	6	538,823	427,173
Cash at bank and in hand	7	59,485	16,289
		<u>781,264</u>	<u>504,497</u>
Creditors: amounts falling due within one year	8	(768,890)	(420,941)
Net current assets		<u>12,374</u>	<u>83,556</u>
Total assets less current liabilities		<u>77,411</u>	<u>139,942</u>
Creditors: amounts falling due after more than one year	9	(10,381)	(17,530)
Net assets		<u><u>67,030</u></u>	<u><u>122,412</u></u>
Capital and reserves			
Called up share capital	11	1,000	1,000
Profit and loss account		66,030	121,412
		<u><u>67,030</u></u>	<u><u>122,412</u></u>

The director considers 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 director acknowledges his 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.

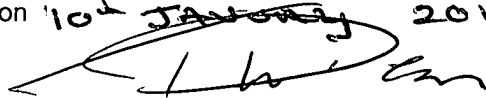
SANDHURST MANUFACTURING COMPANY LIMITED
REGISTERED NUMBER: 01071050

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2017

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 ~~10th JANUARY~~ 2018



T W Dean Esq

Director

The notes on pages 3 to 9 form part of these financial statements.

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

1. General information

Sandhurst Manufacturing Company Limited is a private company limited by shares and incorporated in England and Wales. The address of the registered office is Whitewall Rd, Medway City Estate, Rochester, ME2 4DZ.

The principal activity of the company is that of the sale of plant and machinery.

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.

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

2. Accounting policies (continued)

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.

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:

Plant & Machinery	-	25% straight-line
Motor Vehicles	-	25% straight-line

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 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.

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.

2.5 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.

2.6 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.

2.7 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, loans to related parties and investments in non-puttable ordinary shares.

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.11 Taxation

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 4 (2016 - 4).

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

4. Tangible fixed assets

	Other Fixed Assets £
Cost or valuation	
At 1 June 2016	69,481
Additions	29,193
At 31 May 2017	<u>98,674</u>
Depreciation	
At 1 June 2016	13,095
Charge for the year on owned assets	10,240
Charge for the year on financed assets	10,302
At 31 May 2017	<u>33,637</u>
Net book value	
At 31 May 2017	<u><u>65,037</u></u>
At 31 May 2016	<u><u>56,386</u></u>

SANDHURST MANUFACTURING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, is as follows:

	2017 £	2016 £
Motor Vehicles	35,838	33,983

5. Stocks

	2017 £	2016 £
Raw materials	182,956	61,035

6. Debtors

	2017 £	2016 £
Trade debtors	199,685	42,020
Other debtors	339,138	370,338
Prepayments and accrued income	-	14,815
	538,823	427,173

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	59,485	16,289

SANDHURST MANUFACTURING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	605,666	323,283
Other taxation and social security	45,087	-
Obligations under finance lease and hire purchase contracts	17,415	15,917
Other creditors	90,638	76,236
Accruals and deferred income	10,084	5,505
	<u>768,890</u>	<u>420,941</u>

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

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	<u>10,381</u>	<u>17,530</u>

Secured loans

Net obligations under hire purchase contracts are secured over the assets to which they relate.

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	17,415	15,917
Between 1-2 years	5,496	14,818
Between 2-5 years	4,885	2,712
	<u>27,796</u>	<u>33,447</u>

11. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

12. Contingent liabilities

An unlimited debenture dated 12/03/1991 in favour of National Westminster Bank plc is secured over the assets of the company. An unlimited inter company guarantee dated 27/04/2010 in favour of National Westminster Bank plc is secured over the assets of Sandhurst Manufacturing Company Ltd, Sandhurst Ltd, Sandhurst Plant Ltd, Sandhurst Group Ltd and T W Dean Enterprises LLP. The maximum exposure to the company at 31 May 2017 was £289,837 (2016: £337,667).

The director considers the possibility of the company having to settle any liability under the terms of these guarantees to be remote, and no provision is required.

13. Controlling party

The parent company is SMCH Limited, a company incorporated in England and Wales.

14. 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.