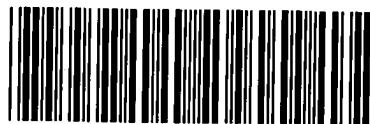

SANDHURST MANUFACTURING COMPANY LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MAY 2018

WEDNESDAY



A7J6TL4Q

A29

21/11/2018

#8

COMPANIES HOUSE

SANDHURST MANUFACTURING COMPANY LIMITED
REGISTERED NUMBER: 01071050

BALANCE SHEET
AS AT 31 MAY 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	38,355	65,037
Current assets			
Stocks	5	166,463	182,956
Debtors: amounts falling due within one year	6	524,415	538,823
Cash at bank and in hand	7	95,213	59,485
		<u>786,091</u>	<u>781,264</u>
Creditors: amounts falling due within one year	8	(900,315)	(768,890)
Net current (liabilities)/assets		<u>(114,224)</u>	<u>12,374</u>
Total assets less current liabilities		<u>(75,869)</u>	<u>77,411</u>
Creditors: amounts falling due after more than one year	9	(5,281)	(10,381)
Net (liabilities)/assets		<u><u>(81,150)</u></u>	<u><u>67,030</u></u>
Capital and reserves			
Called up share capital	11	1,000	1,000
Profit and loss account		(82,150)	66,030
		<u><u>(81,150)</u></u>	<u><u>67,030</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 2018

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 **6th NOVEMBER 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 2018

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.

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.

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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, using the straight-line method.

Depreciation is provided on the following basis:

Plant & Machinery	-	25% straight-line
Motor Vehicles	-	25% straight-line
Office Equipment	-	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.

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.

SANDHURST MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

2. Accounting policies (continued)

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 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 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 (2017 - 4).

SANDHURST MANUFACTURING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

4. Tangible fixed assets

	Other Fixed Assets £
Cost or valuation	
At 1 June 2017	98,674
Disposals	(4,776)
At 31 May 2018	<u>93,898</u>
Depreciation	
At 1 June 2017	33,637
Charge for the year on owned assets	12,105
Charge for the year on financed assets	12,582
Disposals	(2,781)
At 31 May 2018	<u>55,543</u>
Net book value	
At 31 May 2018	<u><u>38,355</u></u>
At 31 May 2017	<u><u>65,037</u></u>

SANDHURST MANUFACTURING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

4. Tangible fixed assets (continued)

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

	2018 £	2017 £
Motor Vehicles	23,256	35,838

5. Stocks

	2018 £	2017 £
Raw materials	166,463	182,956

6. Debtors

	2018 £	2017 £
Trade debtors	221,372	199,685
Other debtors	301,297	339,138
Prepayments and accrued income	1,746	-
	524,415	538,823

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	95,213	59,485

SANDHURST MANUFACTURING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	709,694	605,666
Other taxation and social security	18,129	45,087
Obligations under finance lease and hire purchase contracts	5,307	17,415
Other creditors	40,329	90,638
Accruals and deferred income	126,856	10,084
	<u>900,315</u>	<u>768,890</u>

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

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	<u>5,281</u>	<u>10,381</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:

	2018 £	2017 £
Within one year	<u>5,307</u>	<u>17,415</u>
	<u>5,307</u>	<u>17,415</u>

11. Share capital

	2018 £	2017 £
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 2018**

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.