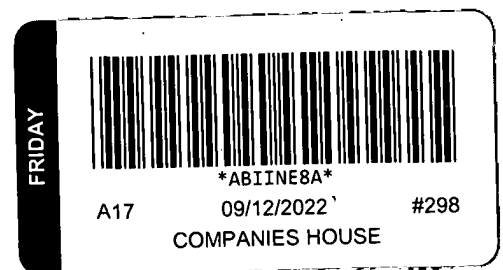


Registration number: 01149441

**SIMCO (ENGINEERS) LIMITED**  
**Filleted Annual Report and Financial Statements**  
**for the Year Ended 31 March 2022**



**Simco (Engineers) Limited**

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# **Simco (Engineers) Limited**

## **Company Information**

<b>Chairman</b>	H D Imrie
<b>Directors</b>	P A Thomson K Heyhurst G I Imrie
<b>Registered office</b>	Monksway Bede Trading Estate Jarrow Tyne and Wear NE32 3HJ
<b>Auditor</b>	Azets Audit Services Chartered Accountants & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# Simco (Engineers) Limited

(Registration number: 01149441)

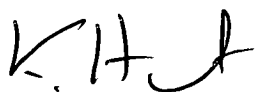
## Statement of Financial Position as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	228,904	287,252
Investments	6	<u>2</u>	<u>2</u>
		<u>228,906</u>	<u>287,254</u>
<b>Current assets</b>			
Stocks	7	788,025	852,311
Debtors	8	445,489	526,365
Cash at bank and in hand		<u>3,142,510</u>	<u>2,773,784</u>
		4,376,024	4,152,460
<b>Creditors: Amounts falling due within one year</b>	9	<u>(347,972)</u>	<u>(330,802)</u>
<b>Net current assets</b>		<u>4,028,052</u>	<u>3,821,658</u>
<b>Total assets less current liabilities</b>		4,256,958	4,108,912
<b>Provisions for liabilities</b>		<u>(39,087)</u>	<u>(35,825)</u>
<b>Net assets</b>		<u>4,217,871</u>	<u>4,073,087</u>
<b>Capital and reserves</b>			
Called up share capital		9,000	9,000
Capital redemption reserve		9,000	9,000
Profit and loss account		<u>4,199,871</u>	<u>4,055,087</u>
<b>Total equity</b>		<u>4,217,871</u>	<u>4,073,087</u>

These financial statements 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on ~~21 September 2022~~ and signed on its behalf by:



.....  
K Heyhurst  
Director

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

# **Simco (Engineers) Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Monksway, Bede Trading Estate, Jarrow, Tyne and Wear, NE32 3HJ.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

#### **Group accounts not prepared**

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. The financial statements present information about the company as an individual undertaking and not about its group.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations. The company has reported a profit for the year of £244,783 (2021 - £270,314) and at the balance sheet date had net current assets of £4,028,052 (2021 - £3,821,658) including cash of £3,142,510 (2021 - £2,773,784) and had no external debt.

The company's forecasts and projections for the next twelve months show that the company should have sufficient cash funds to be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the forecast increases in inflation and energy prices on the wider economy. This also considers the effectiveness of available measures to assist in mitigating the impact.

Based on the factors set out above the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

# **Simco (Engineers) Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

### **2 Accounting policies (continued)**

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when the goods have been dispatched, the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

#### **Government grants**

Government grants relating to the costs incurred by the company are recognised in the income statement over the period necessary to match them with costs that they are intended to compensate. Government grants are presented separately and disclosed in Other operating income in the income statement.

Other operating income comprises the UK Government assistance provided through Coronavirus Job Retention Scheme and the Small Business Grant Fund during the Covid-19 pandemic.

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

# Simco (Engineers) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 2 Accounting policies (continued)

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Long leasehold property	10 - 50 years straight line
Plant, machinery and tools	5 -10 years straight line
Office furniture and equipment	5 - 7 years straight line
Motor vehicles	4 years straight line

#### Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

# **Simco (Engineers) Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

### **2 Accounting policies (continued)**

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 24 (2021 - 26).

### **4 Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	<u>7,350</u>	<u>7,000</u>



# Simco (Engineers) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 5 Tangible assets

	Long leasehold land and buildings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 April 2021	325,055	950,994	48,203	15,901	1,340,153
Additions	-	5,443	939	-	6,382
Disposals	-	(25,000)	-	-	(25,000)
At 31 March 2022	325,055	931,437	49,142	15,901	1,321,535
<b>Depreciation</b>					
At 1 April 2021	166,347	829,811	40,842	15,901	1,052,901
Charge for the year	13,120	48,795	2,815	-	64,730
Eliminated on disposal	-	(25,000)	-	-	(25,000)
At 31 March 2022	179,467	853,606	43,657	15,901	1,092,631
<b>Carrying amount</b>					
At 31 March 2022	145,588	77,831	5,485	-	228,904
At 31 March 2021	158,708	121,183	7,361	-	287,252

Included within the net book value of land and buildings above is £92,804 (2021 - £96,890) in respect of long leasehold land and buildings.

### 6 Investments

	2022 £	2021 £
Investments in subsidiaries	2	2
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 April 2021		2
<b>Provision</b>		
At 31 March 2022		-
<b>Carrying amount</b>		
At 31 March 2022		2
At 31 March 2021		2

# Simco (Engineers) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 6 Investments (continued)

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
Simco Supply Co. Limited	Monksway, Bede Trading Estate, Jarrow, Tyne and Wear, NE32 3HJ England and Wales	Ordinary	100%	100%

#### Subsidiary undertakings

*Simco Supply Co. Limited*

The principal activity of Simco Supply Co. Limited is that of a dormant company.

### 7 Stocks

	2022 £	2021 £
Raw materials and consumables	619,118	616,186
Work in progress	168,907	236,125
	<u>788,025</u>	<u>852,311</u>

### 8 Debtors

	2022 £	2021 £
Trade debtors	399,498	467,522
Prepayments	45,991	47,873
Other debtors	-	10,970
	<u>445,489</u>	<u>526,365</u>

# Simco (Engineers) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 9 Creditors

#### Creditors: amounts falling due within one year

	2022 £	2021 £
<b>Due within one year</b>		
Trade creditors	146,230	94,440
Amounts owed to group undertakings	2	2
Taxation and social security	29,102	23,176
Accruals and deferred income	52,190	103,538
Other creditors	51,080	37,716
Corporation tax liability	69,368	71,930
	<u>347,972</u>	<u>330,802</u>

### 10 Dividends

	2022 £	2021 £
Interim dividend of £99,999 (2021 - £99,999)	<u>99,999</u>	<u>99,999</u>

### 11 Related party transactions

The company is ultimately controlled by Mr HD Imrie.

During the year, Mr HD Imrie, also a director of the company, advanced £48,000 (2021 - £42,500) funds to the company. Interest of £570 (2021 - £1,018) was charged at 3.0% above base rate on these amounts. These funds were used to pay certain expenses on behalf of Mr HD Imrie and at the year end £nil (2021 - £nil) was owed to the company by Mr HD Imrie.

The maximum amount, including interest, advanced by Mr HD Imrie at any point during the year was £40,000 (2021 - £39,000).

### 12 Audit report

The Independent Auditor's Report was unqualified.

The name of the Senior Statutory Auditor who signed the audit report on ~~3 October 2022~~ 3 October 2022 was Christopher Potter BA (Hons) ACA, who signed for and on behalf of Azets Audit Services.

Azets Audit Services is a trading name of Azets Audit Services Limited.