

# Mechlam Precision Tooling Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 November 2018

EKWilliams Accountants Limited  
1 Pavilion Square  
Cricketers Way  
Westhoughton  
Bolton  
BL5 3AJ

# **Mechlam Precision Tooling Limited**

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# **Mechlam Precision Tooling Limited**

## **Company Information**

<b>Directors</b>	Mr JS Burley Mrs L Atherton Mr MJ Atherton Mrs Susan Catherine SC Burley
<b>Company secretary</b>	Mr MJ Atherton
<b>Registered office</b>	Unit 3 Cross 580 Industrial Estate Kilbuck Lane Haydock WA11 9WG
<b>Accountants</b>	EKWilliams Accountants Limited 1 Pavilion Square Cricketers Way Westhoughton Bolton BL5 3AJ

**Mechlam Precision Tooling Limited**  
**(Registration number: 04107061)**  
**Balance Sheet as at 30 November 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	487,045	363,511
<b>Current assets</b>			
Stocks	<u>5</u>	43,891	39,901
Debtors	<u>6</u>	504,276	395,996
Cash at bank and in hand		667,576	475,785
		1,215,743	911,682
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	(284,312)	(253,271)
<b>Net current assets</b>		931,431	658,411
<b>Total assets less current liabilities</b>		1,418,476	1,021,922
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	(83,483)	-
<b>Provisions for liabilities</b>		(85,909)	(87,930)
<b>Net assets</b>		1,249,084	933,992
<b>Capital and reserves</b>			
Called up share capital		4	4
Profit and loss account		1,249,080	933,988
<b>Total equity</b>		1,249,084	933,992

For the financial year ending 30 November 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 Profit and Loss Account has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.

**Mechlam Precision Tooling Limited**

**(Registration number: 04107061)**

**Balance Sheet as at 30 November 2018**

Approved and authorised by the Board on 13 August 2019 and signed on its behalf by:

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Mr MJ Atherton

Company secretary and director

The notes on pages 4 to 9 form an integral part of these financial statements.

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# **Mechlam Precision Tooling Limited**

## **Notes to the Financial Statements for the Year Ended 30 November 2018**

### **1 General information**

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

The address of its registered office is:  
Unit 3 Cross 580 Industrial Estate  
Kilbuck Lane  
Haydock  
WA11 9WG

These financial statements were authorised for issue by the Board on 13 August 2019.

### **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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **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.

#### **Going concern**

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

#### **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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change 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.

# **Mechlam Precision Tooling Limited**

## **Notes to the Financial Statements for the Year Ended 30 November 2018**

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.

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant & Machinery	15% reducing balance method
Fixtures & Fittings	15% reducing balance method
Computer Equipment	33% reducing balance method
Motor Vehicles	33% reducing balance method

### **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.

### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

# Mechlam Precision Tooling Limited

## Notes to the Financial Statements for the Year Ended 30 November 2018

### 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 15 (2017 - 19).

### 4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Plant and Machinery £
<b>Cost or valuation</b>				
At 1 December 2017	17,918	72,257	21,895	873,104
Additions	-	6,209	61,646	152,500
Disposals	-	-	(11,995)	-
At 30 November 2018	17,918	78,466	71,546	1,025,604
<b>Depreciation</b>				
At 1 December 2017	-	62,567	21,695	537,402
Charge for the year	-	3,047	20,543	73,230
Eliminated on disposal	-	-	(11,995)	-
At 30 November 2018	-	65,614	30,243	610,632
<b>Carrying amount</b>				
At 30 November 2018	17,918	12,852	41,303	414,972
At 30 November 2017	17,918	9,691	200	335,702



# Mechlam Precision Tooling Limited

## Notes to the Financial Statements for the Year Ended 30 November 2018

	Total £
<b>Cost or valuation</b>	
At 1 December 2017	985,174
Additions	220,355
Disposals	(11,995)
	<hr/>
At 30 November 2018	1,193,534
	<hr/>
<b>Depreciation</b>	
At 1 December 2017	621,664
Charge for the year	96,820
Eliminated on disposal	(11,995)
	<hr/>
At 30 November 2018	706,489
	<hr/>
<b>Carrying amount</b>	
At 30 November 2018	487,045
	<hr/> <hr/>
At 30 November 2017	363,511
	<hr/> <hr/>

Included within the net book value of land and buildings above is £17,918 (2017 - £17,918) in respect of freehold land and buildings.

### 5 Stocks

	2018 £	2017 £
Other inventories	43,891	39,901
	<hr/> <hr/>	<hr/> <hr/>

### 6 Debtors

	2018 £	2017 £
Trade debtors	450,850	343,676
Prepayments	5,968	4,862
Other debtors	47,458	47,458
	<hr/>	<hr/>
	504,276	395,996
	<hr/> <hr/>	<hr/> <hr/>

# Mechlam Precision Tooling Limited

## Notes to the Financial Statements for the Year Ended 30 November 2018

### 7 Creditors

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

	Note	2018 £	2017 £
<b>Due within one year</b>			
Hire purchase liability	<u>8</u>	46,697	40,491
Trade creditors		95,357	77,089
Taxation and social security		67,946	83,825
Accruals and deferred income		8,480	2,580
Other creditors		65,832	49,286
		<u>284,312</u>	<u>253,271</u>

Hire purchase creditors are secured against the assets they finance.

#### Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
<b>Due after one year</b>			
Hire purchase liability	<u>8</u>	<u>83,483</u>	<u>-</u>

### 8 Loans and borrowings

	2018 £	2017 £
<b>Non-current loans and borrowings</b>		
Hire purchase liabilities	<u>83,483</u>	<u>-</u>
<b>Current loans and borrowings</b>		
Hire purchase liabilities	<u>46,697</u>	<u>40,491</u>

## **Mechlam Precision Tooling Limited**

### **Notes to the Financial Statements for the Year Ended 30 November 2018**

#### **9 Obligations under leases and hire purchase contracts**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Not later than one year	20,000	-
Later than one year and not later than five years	5,000	-
	<u>25,000</u>	<u>-</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £20,000 (2017 - £20,000).

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