

Grand Engineering Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2017

Stubbs Parkin Ltd
Chartered Accountants
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Grand Engineering Limited

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Grand Engineering Limited

(Registration number: 04393011)

Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	286,816	293,063
Current assets			
Stocks	<u>5</u>	12,492	40,691
Debtors	<u>6</u>	173,957	173,976
Cash at bank and in hand		<u>459</u>	<u>26,210</u>
		186,908	240,877
Creditors: Amounts falling due within one year	<u>7</u>	<u>(249,583)</u>	<u>(295,223)</u>
Net current liabilities		<u>(62,675)</u>	<u>(54,346)</u>
Total assets less current liabilities		224,141	238,717
Creditors: Amounts falling due after more than one year	<u>7</u>	(87,002)	(117,816)
Provisions for liabilities		<u>(10,743)</u>	<u>(11,364)</u>
Net assets		<u><u>126,396</u></u>	<u><u>109,537</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>126,296</u>	<u>109,437</u>
Total equity		<u><u>126,396</u></u>	<u><u>109,537</u></u>

For the financial year ending 31 December 2017 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.

The notes on pages 3 to 8 form an integral part of these financial statements.

Grand Engineering Limited

(Registration number: 04393011)

Balance Sheet as at 31 December 2017

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.

Approved and authorised by the Board on 28 September 2018 and signed on its behalf by:

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Mr RP Lloyd

Director

The notes on pages 3 to 8 form an integral part of these financial statements.
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Grand Engineering Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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:

Accocks Building
43 Beaufort Street
Liverpool
Merseyside
L8 5SP
United Kingdom

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.

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.

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.

Grand Engineering Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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:

Asset class	Depreciation method and rate
Land and buildings	2% Straight line basis
Plant and machinery	15% Reducing balance basis
Furniture and fittings	15% Reducing balance basis
Office equipment	25% Reducing balance basis
Motor vehicles	20% Reducing balance basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2017

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 13 (2016 - 13).

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Notes to the Financial Statements for the Year Ended 31 December 2017

4 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	To Total
Cost or valuation						
At 1 January 2017	249,972	19,071	71,996	27,900	31,220	
Additions	-	-	9,759	-	-	
At 31 December 2017	249,972	19,071	81,755	27,900	31,220	
Depreciation						
At 1 January 2017	14,699	15,230	39,045	21,811	16,311	
Charge for the year	4,999	576	5,927	1,522	2,982	
At 31 December 2017	19,698	15,806	44,972	23,333	19,293	
Carrying amount						
At 31 December 2017	230,274	3,265	36,783	4,567	11,927	
At 31 December 2016	235,273	3,841	32,951	6,089	14,909	

Included within the net book value of land and buildings above is £230,274 (2016 - £235,273) in respect of freehold land and buildings.

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Notes to the Financial Statements for the Year Ended 31 December 2017

5 Stocks

	2017 £	2016 £
Work in progress	10,992	39,191
Other inventories	1,500	1,500
	<u>12,492</u>	<u>40,691</u>

6 Debtors

	2017 £	2016 £
Trade debtors	170,181	166,852
Other debtors	3,776	7,124
	<u>173,957</u>	<u>173,976</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	9	75,963	35,988
Trade creditors		39,972	79,278
Amounts owed to related parties		5,970	64,606
Taxation and social security		89,510	64,648
Other creditors		38,168	50,703
		<u>249,583</u>	<u>295,223</u>

Due after one year

Loans and borrowings	9	<u>87,002</u>	<u>117,816</u>
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Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	9	<u>87,002</u>	<u>117,816</u>

Grand Engineering Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

8 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	65,654	71,214
Finance lease liabilities	-	2,740
Other borrowings	21,348	43,862
	<u>87,002</u>	<u>117,816</u>
	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	5,452	4,971
Bank overdrafts	41,845	-
Finance lease liabilities	4,852	9,028
Other borrowings	23,814	21,989
	<u>75,963</u>	<u>35,988</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.