

J & M Machining Services Limited

Filleted Annual Report and Unaudited Financial Statements
for the Year Ended 30 November 2021

J & M Machining Services Limited

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J & M Machining Services Limited
(Registration number: 4578796)
Balance Sheet as at 30 November 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	<u>4</u>	1,500	3,000
Tangible assets	<u>5</u>	357,722	359,984
		<u>359,222</u>	<u>362,984</u>
Current assets			
Stocks	<u>6</u>	4,000	4,000
Debtors	<u>7</u>	100,393	237,780
Cash at bank and in hand		243,076	124,552
		347,469	366,332
Creditors: Amounts falling due within one year	<u>8</u>	(378,777)	(354,980)
Net current (liabilities)/assets		(31,308)	11,352
Total assets less current liabilities		327,914	374,336
Creditors: Amounts falling due after more than one year	<u>8</u>	(163,219)	(167,721)
Provisions for liabilities		(15,871)	(16,142)
Net assets		<u>148,824</u>	<u>190,473</u>
Capital and reserves			
Called up share capital	<u>9</u>	100	100
Retained earnings		148,724	190,373
Shareholders' funds		<u>148,824</u>	<u>190,473</u>

For the financial year ending 30 November 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

J & M Machining Services Limited
(Registration number: 4578796)
Balance Sheet as at 30 November 2021

Approved and authorised by the director on 15 August 2022

Mr M Hotham
Director

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

1 General information

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

The address of its registered office is:

J&M Machining services Ltd
Sunningdale road
Scunthorpe
North Lincolnshire
DN17 2TY

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.

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.

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

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 balance sheet 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
Freehold property	4% straight line
Motor vehicles	25% reducing balance
Plant and equipment	15% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 20 years

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.

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

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.

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.

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

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 the director) during the year was 6 (2020 - 5).

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 December 2020	30,000	30,000
At 30 November 2021	30,000	30,000
Amortisation		
At 1 December 2020	27,000	27,000
Amortisation charge	1,500	1,500
At 30 November 2021	28,500	28,500
Carrying amount		
At 30 November 2021	1,500	1,500
At 30 November 2020	3,000	3,000

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 December 2020	297,628	107,397	56,706	461,731
Additions	-	27,268	-	27,268
At 30 November 2021	297,628	134,665	56,706	488,999
Depreciation				
At 1 December 2020	11,533	67,999	22,215	101,747
Charge for the year	11,904	9,002	8,624	29,530
At 30 November 2021	23,437	77,001	30,839	131,277
Carrying amount				
At 30 November 2021	274,191	57,664	25,867	357,722
At 30 November 2020	286,095	39,398	34,491	359,984

Included within the net book value of land and buildings above is £274,191 (2020 - £286,095) in respect of freehold land and buildings.

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

6 Stocks

	2021 £	2020 £
Other inventories	4,000	4,000

7 Debtors

	2021 £	2020 £
Trade debtors	85,332	234,799
Other debtors	14,009	2,981
Social security and other taxes	1,052	-
Total current trade and other debtors	100,393	237,780

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	10	4,454	3,914
Trade creditors		233,669	211,332
Amounts due to related parties	11	-	7,975
Taxation and social security		33,096	30,053
Other creditors		107,558	101,706
		378,777	354,980

Creditors include bank loans which are secured of £4,454 (2020 - £3,914). These loans are secured upon the land and buildings.

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Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>163,219</u>	<u>167,721</u>
		2021 £	2020 £
Due after more than five years			
After more than five years by instalments		145,402	149,665
		<u> </u>	<u> </u>

Creditors include bank loans which are secured of £163,219 (2020 - £167,721). These loans are secured upon the land and buildings.

9 Share capital

Allotted, called up and fully paid shares

	2021 No.	£	2020 No.	£
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Other borrowings	<u>163,219</u>	<u>167,721</u>
	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	<u>4,454</u>	<u>3,914</u>

J & M Machining Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

11 Related party transactions

Transactions with the director

	At 1 December 2020 £	Advances to director £	Repayments by director £	At 30 November 2021 £
2021				
Directors loan account; No interest is charged on these balances	(7,975)	112,003	(94,445)	9,583

	At 1 December 2019 £	Advances to director £	Repayments by director £	At 30 November 2020 £
2020				
Directors loan account; No interest is charged on these balances	(775)	223,100	(230,300)	(7,975)

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.