

# J & M Machining Services Limited

Filleted Unaudited Financial Statements  
for the Year Ended 30 November 2022

# **J & M Machining Services Limited**

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**J & M Machining Services Limited**  
**(Registration number: 4578796)**  
**Balance Sheet as at 30 November 2022**

|  | Note     | 2022<br>£       | 2021<br>£       |
|--|----------|-----------------|-----------------|
| <b>Fixed assets</b>  |          |                 |                 |
| Intangible assets  | <u>4</u> | -               | 1,500           |
| Tangible assets  | <u>5</u> | 332,499         | 357,722         |
|  |          | <u>332,499</u>  | <u>359,222</u>  |
| <b>Current assets</b>  |          |                 |                 |
| Stocks   |          | 4,000           | 4,000           |
| Debtors  | <u>6</u> | 155,180         | 100,393         |
| Cash at bank and in hand                                       |          | 192,854         | 243,076         |
|  |          | 352,034         | 347,469         |
| <b>Creditors:</b> Amounts falling due within one year          | <u>7</u> | (326,583)       | (378,777)       |
| <b>Net current assets/(liabilities)</b>                        |          | <u>25,451</u>   | <u>(31,308)</u> |
| <b>Total assets less current liabilities</b>                   |          | 357,950         | 327,914         |
| <b>Creditors:</b> Amounts falling due after more than one year | <u>7</u> | (159,107)       | (163,219)       |
| <b>Provisions for liabilities</b>                              |          | <u>(13,341)</u> | <u>(15,871)</u> |
| <b>Net assets</b>  |          | <u>185,502</u>  | <u>148,824</u>  |
| <b>Capital and reserves</b>                                    |          |                 |                 |
| Called up share capital  | <u>8</u> | 100             | 100             |
| Retained earnings  |          | 185,402         | 148,724         |
| Shareholders' funds  |          | <u>185,502</u>  | <u>148,824</u>  |

For the financial year ending 30 November 2022 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. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

**J & M Machining Services Limited**  
**(Registration number: 4578796)**  
**Balance Sheet as at 30 November 2022**

Approved and authorised by the director on 22 August 2023

Mr M Hotham  
Director

# **J & M Machining Services Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 30 November 2022**

### **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

Registration number: 4578796

### **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.

#### **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.

## **J & M Machining Services Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 30 November 2022**

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:

| <b>Asset class</b>  | <b>Depreciation method and rate</b> |
|---------------------|-------------------------------------|
| 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:

| <b>Asset class</b> | <b>Amortisation method and rate</b> |
|--------------------|-------------------------------------|
| 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 2022**

#### **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 2022**

#### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year was 5 (2021 - 6).



## J & M Machining Services Limited

### Notes to the Unaudited Financial Statements for the Year Ended 30 November 2022

#### 4 Intangible assets

|                          | Goodwill<br>£ | Total<br>£ |
|--------------------------|---------------|------------|
| <b>Cost or valuation</b> |               |            |
| At 1 December 2021       | 30,000        | 30,000     |
| At 30 November 2022      | 30,000        | 30,000     |
| <b>Amortisation</b>      |               |            |
| At 1 December 2021       | 28,500        | 28,500     |
| Amortisation charge      | 1,500         | 1,500      |
| At 30 November 2022      | 30,000        | 30,000     |
| <b>Carrying amount</b>   |               |            |
| At 30 November 2022      | -             | -          |
| At 30 November 2021      | 1,500         | 1,500      |

#### 5 Tangible assets

|                          | Land and<br>buildings<br>£ | Furniture,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|--------------------------|----------------------------|--|------------------------|------------|
| <b>Cost or valuation</b> |                            |  |                        |            |
| At 1 December 2021       | 297,628                    | 134,665                                      | 56,706                 | 488,999    |
| Additions                | -                          | 2,538  | -                      | 2,538      |
| At 30 November 2022      | 297,628                    | 137,203                                      | 56,706                 | 491,537    |
| <b>Depreciation</b>      |                            |  |                        |            |
| At 1 December 2021       | 23,437                     | 77,001                                       | 30,839                 | 131,277    |
| Charge for the year      | 11,904                     | 9,389  | 6,468                  | 27,761     |
| At 30 November 2022      | 35,341                     | 86,390                                       | 37,307                 | 159,038    |
| <b>Carrying amount</b>   |                            |  |                        |            |
| At 30 November 2022      | 262,287                    | 50,813                                       | 19,399                 | 332,499    |
| At 30 November 2021      | 274,191                    | 57,664                                       | 25,867                 | 357,722    |

Included within the net book value of land and buildings above is £262,287 (2021 - £274,191) in respect of freehold land and buildings.

# J & M Machining Services Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 November 2022

### 6 Debtors

|                                       | 2022<br>£ | 2021<br>£ |
|---------------------------------------|-----------|-----------|
| Trade debtors                         | 149,682   | 85,332    |
| Other debtors                         | 4,892     | 14,009    |
| Social security and other taxes       | 606       | 1,052     |
|                                       | <hr/>     | <hr/>     |
| Total current trade and other debtors | 155,180   | 100,393   |
|                                       | <hr/>     | <hr/>     |

### 7 Creditors

|                                 | Note      | 2022<br>£ | 2021<br>£ |
|---------------------------------|-----------|-----------|-----------|
| <b>Due within one year</b>      |           |           |           |
| Loans and borrowings            | <u>9</u>  | 4,454     | 4,454     |
| Trade payables                  |           | 128,588   | 233,669   |
| Amounts due to related parties  | <u>10</u> | 23,216    | -         |
| Social security and other taxes |           | 60,783    | 33,096    |
| Other payables                  |           | 109,542   | 107,558   |
|                                 |           | <hr/>     | <hr/>     |
|                                 |           | 326,583   | 378,777   |
|                                 |           | <hr/>     | <hr/>     |

Creditors include bank loans which are secured of £4,454 (2021 - £4,454). These loans are secured upon the land and buildings.

|                           | Note     | 2022<br>£ | 2021<br>£ |
|---------------------------|----------|-----------|-----------|
| <b>Due after one year</b> |          |           |           |
| Loans and borrowings      | <u>9</u> | 159,107   | 163,219   |
|                           |          | <hr/>     | <hr/>     |

|   |  | 2022<br>£ | 2021<br>£ |
|---|--|-----------|-----------|
| <b>Due after more than five years</b>     |  |           |           |
| After more than five years by instalments |  | 141,290   | 145,402   |
|   |  | <hr/>     | <hr/>     |

Creditors include bank loans which are secured of £159,107 (2021 - £163,219). These loans are secured upon the land and buildings.

# J & M Machining Services Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 November 2022

### 8 Share capital

#### Allotted, called up and fully paid shares

|                            | 2022 |     | 2021 |     |
|----------------------------|------|-----|------|-----|
|                            | No.  | £   | No.  | £   |
| Ordinary shares of £1 each | 100  | 100 | 100  | 100 |

### 9 Loans and borrowings

|                                     | 2022<br>£ | 2021<br>£ |
|-------------------------------------|-----------|-----------|
| <b>Current loans and borrowings</b> |           |           |
| Bank borrowings                     | 4,454     | 4,454     |

|   | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| <b>Non-current loans and borrowings</b> |           |           |
| Other borrowings                        | 159,107   | 163,219   |

### 10 Related party transactions

#### Transactions with the director

|  | At 1<br>December<br>2021<br>£ | Advances to<br>director<br>£ | Repayments<br>by director<br>£ | At 30<br>November<br>2022<br>£ |
|--|-------------------------------|------------------------------|--------------------------------|--------------------------------|
| <b>2022</b>  |                               |                              |                                |                                |
| <b>Mr M Hotham</b>   |                               |                              |                                |                                |
| Directors loan account; No interest is charged on these balances | 9,583                         | 64,043                       | (96,842)                       | (23,216)                       |

|  | At 1<br>December<br>2020<br>£ | Advances to<br>director<br>£ | Repayments<br>by director<br>£ | At 30<br>November<br>2021<br>£ |
|--|-------------------------------|------------------------------|--------------------------------|--------------------------------|
| <b>2021</b>  |                               |                              |                                |                                |
| <b>Mr M Hotham</b>   |                               |                              |                                |                                |
| Directors loan account; No interest is charged on these balances | (7,975)                       | 112,003                      | (94,445)                       | 9,583                          |

## **J & M Machining Services Limited**

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.