

# Montila Engineering Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 May 2018

Martin Foster & Co. Limited  
AIMS Accountants for Business  
Unit 5 Shannon Court  
High Street  
Sandy  
Bedfordshire  
SG19 1AG

# Montila Engineering Limited

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# **Montila Engineering Limited**

## **Company Information**

**Directors** Mr Adrian Montila  
Mr Brian Montila

**Company secretary** Mr Brian Montila

**Registered office** Pigeon Corner  
Potton Road  
Everton  
Sandy  
Bedfordshire  
SG19 2LF

**Accountants** Martin Foster & Co. Limited  
AIMS Accountants for Business  
Unit 5 Shannon Court  
High Street  
Sandy  
Bedfordshire  
SG19 1AG

**Montila Engineering Limited**  
**(Registration number: 06243729)**  
**Balance Sheet as at 31 May 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	-	415
Tangible assets	<u>5</u>	61,116	86,400
		<u>61,116</u>	<u>86,815</u>
<b>Current assets</b>			
Debtors	<u>6</u>	10,582	11,269
Cash at bank and in hand		402,350	279,458
		412,932	290,727
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	(90,656)	(81,346)
<b>Net current assets</b>		<u>322,276</u>	<u>209,381</u>
<b>Total assets less current liabilities</b>		383,392	296,196
<b>Provisions for liabilities</b>		(11,612)	(16,416)
<b>Net assets</b>		<u>371,780</u>	<u>279,780</u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	100	100
Profit and loss account		371,680	279,680
<b>Total equity</b>		<u>371,780</u>	<u>279,780</u>

For the financial year ending 31 May 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.

Approved and authorised by the Board on 27 February 2019 and signed on its behalf by:

.....

Mr Brian Montila  
Company secretary and director

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

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# **Montila Engineering Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 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:

Pigeon Corner  
Potton Road  
Everton  
Sandy  
Bedfordshire  
SG19 2LF

These financial statements were authorised for issue by the Board on 27 February 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.

Pounds Sterling

#### **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.

# Montila Engineering Limited

## Notes to the Financial Statements for the Year Ended 31 May 2018

### 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
Other property, plant and equipment	15% straight line
Furniture, fittings and equipment	25% straight line
Motor vehicles	20% straight line

### 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	10% straight line

### 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.

### 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.



# **Montila Engineering Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2018**

### **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.

### **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.

### **Share based payments**

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 2 (2017 - 2).

# Montila Engineering Limited

## Notes to the Financial Statements for the Year Ended 31 May 2018

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 June 2017	49,854	49,854
At 31 May 2018	49,854	49,854
<b>Amortisation</b>		
At 1 June 2017	49,439	49,439
Amortisation charge	415	415
At 31 May 2018	49,854	49,854
<b>Carrying amount</b>		
At 31 May 2018	-	-
At 31 May 2017	415	415

### 5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
<b>Cost or valuation</b>				
At 1 June 2017	7,766	88,105	100,848	196,719
Additions	1,040	-	1,333	2,373
Disposals	(6,274)	-	(1,602)	(7,876)
At 31 May 2018	2,532	88,105	100,579	191,216
<b>Depreciation</b>				
At 1 June 2017	6,980	18,014	85,325	110,319
Charge for the year	529	17,621	9,507	27,657
Eliminated on disposal	(6,274)	-	(1,602)	(7,876)
At 31 May 2018	1,235	35,635	93,230	130,100
<b>Carrying amount</b>				
At 31 May 2018	1,297	52,470	7,349	61,116
At 31 May 2017	786	70,091	15,523	86,400

# Montila Engineering Limited

## Notes to the Financial Statements for the Year Ended 31 May 2018

### 6 Debtors

	2018 £	2017 £
Trade debtors	7,078	252
Other debtors	3,504	11,017
	<u>10,582</u>	<u>11,269</u>

### 7 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Trade creditors		11,476	22,037
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>10</u>	11,761	7,401
Taxation and social security		1,161	229
Accruals and deferred income		2,480	1,950
Other creditors		63,778	49,729
		<u>90,656</u>	<u>81,346</u>

### 8 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

### 9 Dividends

	2018 £	2017 £
Final dividend of £Nil (2017 - £Nil) per ordinary share	-	-
Interim dividend of £1,200.00 (2017 - £1,000.00) per ordinary share	120,000	100,000
	<u>120,000</u>	<u>100,000</u>

# Montila Engineering Limited

## Notes to the Financial Statements for the Year Ended 31 May 2018

### 10 Related party transactions

#### Transactions with directors

	At 1 June 2017 £	Advances to directors £	Repayments by director £	At 31 May 2018 £
<b>2018</b>				
<b>Mr Adrian Montila</b>				
Advances to director with no repayment terms nor interest. Other repayments represent dividends and other remuneration	(7,402)	49,726	(51,797)	(9,473)
<b>Mr Brian Montila</b>				
Advances to director with no repayment terms nor interest. Other repayments represent dividends and other remuneration	1,620	43,987	(47,896)	(2,288)
<b>2017</b>				
<b>Mr Adrian Montila</b>				
Advances to director with no repayment terms nor interest. Other repayments represent dividends and other remuneration	(18,407)	55,773	(44,767)	(7,402)
<b>Mr Brian Montila</b>				
Advances to director with no repayment terms nor interest. Other repayments represent dividends and other remuneration	(5,049)	48,154	(41,485)	1,620

#### Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	20,000	19,999
Contributions paid to money purchase schemes	6,000	6,000
	26,000	25,999

registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.