

Advanced Machinery Services Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2019

Max Accountants Ltd
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Advanced Machinery Services Ltd

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Advanced Machinery Services Ltd

Company Information

Directors Mr Steve McGloin
Mr Steve Foster

Registered office Skeffington Mill
Uppingham Road
Skeffington
Leicester
Leicestershire
LE7 9YE

Accountants Max Accountants Ltd
Ketton Suite
The King Centre
Barleythorpe
Rutland
LE15 7WD

Advanced Machinery Services Ltd
(Registration number: 6405798)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>6</u>	58,830	54,132
Current assets			
Stocks	<u>7</u>	838,633	682,573
Debtors	<u>8</u>	340,807	418,736
Cash at bank and in hand		512,057	242,637
		1,691,497	1,343,946
Creditors: Amounts falling due within one year	<u>9</u>	(658,388)	(466,795)
Net current assets		1,033,109	877,151
Total assets less current liabilities		1,091,939	931,283
Provisions for liabilities		(46,596)	(79,186)
Net assets		1,045,343	852,097
Capital and reserves			
Called up share capital	<u>10</u>	300	300
Profit and loss account		1,045,043	851,797
Total equity		1,045,343	852,097

For the financial year ending 31 December 2019 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.

Advanced Machinery Services Ltd
(Registration number: 6405798)
Balance Sheet as at 31 December 2019

Approved and authorised by the Board on 16 April 2020 and signed on its behalf by:

.....

Mr Steve Foster
Director

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

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Advanced Machinery Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

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

The address of its registered office is:

Skeffington Mill
Uppingham Road
Skeffington
Leicester
Leicestershire
LE7 9YE

These financial statements were authorised for issue by the Board on 16 April 2020.

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.

Advanced Machinery Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

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:

Asset class	Depreciation method and rate
Motor vehicles	25% on cost
Fixtures and fittings	33% on cost
Plant and machinery	33% on cost
Leasehold improvements	20% on cost

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	Straight line over 7 years
Patents and licences	Straight line over 5 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.

Advanced Machinery Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

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.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

Advanced Machinery Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

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 33 (2018 - 25).

4 Taxation

Tax charged/(credited) in the income statement

	2019 £	2018 £
Current taxation		
UK corporation tax	75,736	55,052
Deferred taxation		
Arising from write-down or reversal of write-down of deferred tax asset	(3,568)	3,341
Tax expense in the income statement	72,168	58,393

Deferred tax

5 Intangible assets

	Goodwill £	Trademarks, patents and licenses £	Total £
Cost or valuation			
At 1 January 2019	2,674	124,461	127,135
At 31 December 2019	2,674	124,461	127,135
Amortisation			
At 1 January 2019	2,674	124,461	127,135
At 31 December 2019	2,674	124,461	127,135
Carrying amount			
At 31 December 2019	-	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2018 - £Nil).

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Notes to the Financial Statements for the Year Ended 31 December 2019

6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £
Cost or valuation				
At 1 January 2019	1,733	80,248	127,789	72,654
Additions	-	9,485	24,939	-
At 31 December 2019	1,733	89,733	152,728	72,654
Depreciation				
At 1 January 2019	1,733	61,162	105,475	59,922
Charge for the year	-	6,267	16,004	7,455
At 31 December 2019	1,733	67,429	121,479	67,377
Carrying amount				
At 31 December 2019	-	22,304	31,249	5,277
At 31 December 2018	-	19,086	22,314	12,732
				Total £

Cost or valuation	
At 1 January 2019	282,424
Additions	34,424
At 31 December 2019	316,848
Depreciation	
At 1 January 2019	228,292
Charge for the year	29,726
At 31 December 2019	258,018
Carrying amount	
At 31 December 2019	58,830
At 31 December 2018	54,132

7 Stocks

	2019 £	2018 £
Other inventories	838,633	682,573

Advanced Machinery Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

8 Debtors

	2019 £	2018 £
Trade debtors	326,336	389,459
Prepayments	14,471	22,064
Other debtors	-	7,213
	<u>340,807</u>	<u>418,736</u>

9 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	258,470	78,888
Taxation and social security	63,404	61,582
Accruals and deferred income	155,979	180,372
Other creditors	180,535	145,953
	<u>658,388</u>	<u>466,795</u>

10 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	300	300	300	300

11 Dividends

	2019 £	2018 £
Interim dividend of £406.67 (2018 - £524.44) per ordinary share	122,000	157,333

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.