

Advanced Machinery Services Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2020

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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 Mr Gary Lane
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 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>6</u>	44,469	58,830
Current assets			
Stocks	<u>7</u>	695,062	838,633
Debtors	<u>8</u>	426,053	340,807
Cash at bank and in hand		830,373	512,057
		1,951,488	1,691,497
Creditors: Amounts falling due within one year	<u>9</u>	(747,484)	(658,388)
Net current assets		1,204,004	1,033,109
Total assets less current liabilities		1,248,473	1,091,939
Creditors: Amounts falling due after more than one year	<u>9</u>	(45,000)	-
Provisions for liabilities		(25,386)	(46,596)
Net assets		1,178,087	1,045,343
Capital and reserves			
Called up share capital	<u>10</u>	300	300
Profit and loss account		1,177,787	1,045,043
Shareholders' funds		1,178,087	1,045,343

For the financial year ending 31 December 2020 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 July 2021 and signed on its behalf by:

Advanced Machinery Services Ltd
(Registration number: 6405798)
Balance Sheet as at 31 December 2020

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Mr Steve Foster
Director

Advanced Machinery Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

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 27 July 2021.

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.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

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.

Advanced Machinery Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

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.

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
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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

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.

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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 25 (2019 - 33).

4 Taxation

Tax charged/(credited) in the income statement

	2020 £	2019 £
Current taxation		
UK corporation tax	66,947	75,736
Deferred taxation		
Arising from write-down or reversal of write-down of deferred tax asset	(2,183)	(3,568)
Tax expense in the income statement	<u>64,764</u>	<u>72,168</u>
Deferred tax		

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

5 Intangible assets

	Goodwill £	Trademarks, patents and licenses £	Total £
Cost or valuation			
At 1 January 2020	2,674	124,461	127,135
At 31 December 2020	2,674	124,461	127,135
Amortisation			
At 1 January 2020	2,674	124,461	127,135
At 31 December 2020	2,674	124,461	127,135
Carrying amount			
At 31 December 2020	-	-	-

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 January 2020	1,733	89,733	152,728	72,654	316,848
Additions	-	-	4,800	9,258	14,058
At 31 December 2020	1,733	89,733	157,528	81,912	330,906
Depreciation					
At 1 January 2020	1,733	67,429	121,479	67,377	258,018
Charge for the year	-	8,901	12,846	6,672	28,419
At 31 December 2020	1,733	76,330	134,325	74,049	286,437
Carrying amount					
At 31 December 2020	-	13,403	23,203	7,863	44,469
At 31 December 2019	-	22,304	31,249	5,277	58,830

Advanced Machinery Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

7 Stocks

	2020	2019
	£	£
Other inventories	695,062	838,633

8 Debtors

	2020	2019
	£	£
Trade debtors	414,159	326,336
Prepayments	11,894	14,471
	426,053	340,807

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

9 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	11	5,000	-
Trade creditors		295,573	258,470
Taxation and social security		163,972	139,198
Accruals and deferred income		176,310	155,979
Other creditors		106,629	104,741
		<u>747,484</u>	<u>658,388</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	11	<u>45,000</u>	<u>-</u>

10 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	300	300	300	300

11 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings - BounceBack Loan	<u>45,000</u>	<u>-</u>
	2020 £	2019 £
Current loans and borrowings		
Bank borrowings - BounceBack Loan	<u>5,000</u>	<u>-</u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

12 Dividends

	2020	2019
	£	£
Interim dividend of £478 (2019 - £407) per ordinary share	143,333	122,000
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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.