

# Preheat Engineering Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2021

Sterling Grove Accountants Limited  
Chartered Certified Accountants  
Thames House  
Bourne End Business Park  
Cores End Road  
Bourne End  
Buckinghamshire  
SL8 5AS

# **Preheat Engineering Limited**

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# **Preheat Engineering Limited**

## **Company Information**

<b>Director</b>	Simon Gristwood
<b>Registered office</b>	1 Adler Industrial Estate Betam Road Hayes Middlesex UB3 1ST
<b>Accountants</b>	Sterling Grove Accountants Limited Chartered Certified Accountants Thames House Bourne End Business Park Cores End Road Bourne End Buckinghamshire SL8 5AS

**Preheat Engineering Limited**  
**(Registration number: 09430590)**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	6,000	12,270
Tangible assets	<u>5</u>	198,052	197,564
		<u>204,052</u>	<u>209,834</u>
<b>Current assets</b>			
Stocks	<u>6</u>	143,080	146,419
Debtors	<u>7</u>	95,260	81,654
Cash at bank and in hand		<u>130,164</u>	<u>100,487</u>
		368,504	328,560
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	<u>(82,466)</u>	<u>(78,078)</u>
<b>Net current assets</b>		<u>286,038</u>	<u>250,482</u>
<b>Total assets less current liabilities</b>		490,090	460,316
<b>Creditors:</b> Amounts falling due after more than one year	<u>8</u>	<u>(390,580)</u>	<u>(362,672)</u>
<b>Net assets</b>		<u>99,510</u>	<u>97,644</u>
<b>Capital and reserves</b>			
Called up share capital		99	99
Profit and loss account		<u>99,411</u>	<u>97,545</u>
Shareholders' funds		<u>99,510</u>	<u>97,644</u>

For the financial year ending 31 March 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.

Approved and authorised by the director on 17 June 2021

**Preheat Engineering Limited**  
**(Registration number: 09430590)**  
**Balance Sheet as at 31 March 2021**

.....  
Simon Gristwood  
Director

# **Preheat Engineering Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **1 General information**

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

The address of its registered office is:

1 Adler Industrial Estate  
Betam Road  
Hayes  
Middlesex  
UB3 1ST  
England

These financial statements were authorised for issue by the director on 17 June 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.

#### **Government grants**

Government grants are recognised under the accrual model of grant recognition. This model requires the grant to be classified as either a revenue-based grant or a capital-based grant.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset.

#### **Tax**

The tax expense for the period comprises current 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.

# **Preheat Engineering Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

### **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>
Fixtures, fittings and equipment	25% straight line
Land and buildings	2% straight line
Motor vehicles	25% 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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	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.

### **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.

## **Preheat Engineering Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **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.

#### **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.



## **Preheat Engineering Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 7 (2020 - 6).

## Preheat Engineering Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

#### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2020	162,600	162,600
At 31 March 2021	162,600	162,600
<b>Amortisation</b>		
At 1 April 2020	150,330	150,330
Amortisation charge	6,270	6,270
At 31 March 2021	156,600	156,600
<b>Carrying amount</b>		
At 31 March 2021	6,000	6,000
At 31 March 2020	12,270	12,270

#### 5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	204,246	20,910	9,633	234,789
Additions	-	11,514	-	11,514
At 31 March 2021	204,246	32,424	9,633	246,303
<b>Depreciation</b>				
At 1 April 2020	16,340	13,753	7,132	37,225
Charge for the year	4,085	5,691	1,250	11,026
At 31 March 2021	20,425	19,444	8,382	48,251
<b>Carrying amount</b>				
At 31 March 2021	183,821	12,980	1,251	198,052
At 31 March 2020	187,906	7,157	2,501	197,564

Included within the net book value of land and buildings above is £183,821 (2020 - £187,906) in respect of freehold land and buildings.

# Preheat Engineering Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

### 6 Stocks

	2021 £	2020 £
Other inventories	143,080	146,419

### 7 Debtors

	2021 £	2020 £
Trade debtors	78,413	81,654
Other debtors	16,847	-
	95,260	81,654

### 8 Creditors

#### Creditors: amounts falling due within one year

	Note	2021 £	2020 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	20,742	11,783
Trade creditors		27,035	32,672
Amounts owed to related parties		2,758	7,397
Taxation and social security		15,184	12,932
Other creditors		4,997	4,844
Corporation tax		11,750	8,450
		82,466	78,078

#### Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
<b>Due after one year</b>			
Loans and borrowings	9	390,580	362,672

## **Preheat Engineering Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **9 Loans and borrowings**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>390,580</u>	<u>362,672</u>

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Current loans and borrowings</b>		
Bank borrowings	<u>20,742</u>	<u>11,783</u>

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.