

**CARDAN PRECISION ENGINEERING LTD.
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

Cardan Precision Engineering Ltd.
Unaudited Financial Statements
For The Year Ended 30 September 2020

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Cardan Precision Engineering Ltd.
Balance Sheet
As at 30 September 2020

Registered number: SC408269

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		1,020,285		943,077
			<u>1,020,285</u>		<u>943,077</u>
CURRENT ASSETS					
Stocks	4	140,383		320,865	
Debtors	5	388,461		490,272	
Cash at bank and in hand		519,633		184,636	
		<u>1,048,477</u>		<u>995,773</u>	
Creditors: Amounts Falling Due Within One Year	6	(426,409)		(478,710)	
		<u></u>		<u></u>	
NET CURRENT ASSETS (LIABILITIES)			<u>622,068</u>		<u>517,063</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,642,353</u>		<u>1,460,140</u>
Creditors: Amounts Falling Due After More Than One Year	7	(286,857)		(412,048)	
		<u></u>		<u></u>	
PROVISIONS FOR LIABILITIES					
Deferred Taxation			(128,122)		(122,114)
			<u></u>		<u></u>
NET ASSETS			<u>1,227,374</u>		<u>925,978</u>
CAPITAL AND RESERVES					
Called up share capital	11	102		102	
Profit and Loss Account		1,227,272		925,876	
		<u></u>		<u></u>	
SHAREHOLDERS' FUNDS			<u>1,227,374</u>		<u>925,978</u>

Cardan Precision Engineering Ltd.
Balance Sheet (continued)
As at 30 September 2020

For the year ending 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Joseph McFall

Director

25/02/2021

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

Cardan Precision Engineering Ltd.
Notes to the Financial Statements
For The Year Ended 30 September 2020

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold	Not depreciated
Improvements to Property	Not depreciated
Plant & Machinery	25% Reducing Balance
Motor Vehicles	20% Reducing Balance
Fixtures & Fittings	25% Reducing Balance
Computer Equipment	25% Reducing Balance

1.4. Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2020

1.6. Financial Instruments

The company only has basic financial instruments.

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 24 (2019: 23)

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2020

3. Tangible Assets

	Land & Property		Plant & Machinery	Motor Vehicles
	Freehold	Improvements to Property		
	£	£	£	£
Cost				
As at 1 October 2019	182,142	17,218	1,219,790	12,651
Additions	-	-	220,084	62,985
Disposals	-	-	-	-
As at 30 September 2020	182,142	17,218	1,439,874	75,636
Depreciation				
As at 1 October 2019	-	-	499,356	5,440
Provided during the period	-	-	205,131	1,827
Disposals	-	-	-	-
As at 30 September 2020	-	-	704,487	7,267
Net Book Value				
As at 30 September 2020	182,142	17,218	735,387	68,369
As at 1 October 2019	182,142	17,218	720,434	7,211
		Fixtures & Fittings	Computer Equipment	Total
		£	£	£
Cost				
As at 1 October 2019		10,382	19,016	1,461,199
Additions		5,738	1,356	290,163
Disposals		-	(1,444)	(1,444)
As at 30 September 2020		16,120	18,928	1,749,918
Depreciation				
As at 1 October 2019		2,230	11,096	518,122
Provided during the period		3,186	2,064	212,208
Disposals		-	(697)	(697)
As at 30 September 2020		5,416	12,463	729,633
Net Book Value				
As at 30 September 2020		10,704	6,465	1,020,285
As at 1 October 2019		8,152	7,920	943,077

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2020

Included above are assets held under finance leases or hire purchase contracts with a net book value as follows:

	2020	2019
	£	£
Plant & Machinery	347,069	484,869
Motor Vehicles	-	7,211
	<u>347,069</u>	<u>492,080</u>
4. Stocks		
	2020	2019
	£	£
Stock - materials and work in progress	140,383	320,865
	<u>140,383</u>	<u>320,865</u>
5. Debtors		
	2020	2019
	£	£
Due within one year		
Trade debtors	262,751	444,714
Prepayments and accrued income	24,128	43,058
Other debtors	101,582	2,500
	<u>388,461</u>	<u>490,272</u>
6. Creditors: Amounts Falling Due Within One Year		
	2020	2019
	£	£
Net obligations under finance lease and hire purchase contracts	114,020	117,190
Trade creditors	109,926	146,364
Bank loans and overdrafts	10,675	7,467
Corporation tax	64,758	60,099
Other taxes and social security	33,041	43,138
VAT	70,224	79,544
Other creditors	274	1,799
Accrued expenses	19,643	20,647
Director's loan account	3,848	2,462
	<u>426,409</u>	<u>478,710</u>

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2020

7. Creditors: Amounts Falling Due After More Than One Year

	2020	2019
	£	£
Net obligations under finance lease and hire purchase contracts	188,629	305,027
Bank loans - 1-2 years	16,509	7,751
Bank loans - 2-5 years..	55,360	25,069
Bank loans more than 5 years	26,359	74,201
	<u>286,857</u>	<u>412,048</u>

8. Secured Creditors

Of the creditors falling due within and after more than one year the following amounts are secured.

The Royal Bank of Scotland plc holds a Bond and Floating Charge over all the assets of the company.

In addition they also hold a standard security over the properties at Units 2 and 3A, Block 3, West Avenue, Blantyre Industrial Estate, Blantyre, Glasgow. G72 OUL.

	2020	2019
	£	£
Bank loans and overdrafts	58,903	114,488

9. Obligations Under Finance Leases and Hire Purchase

	2020	2019
	£	£
The maturity of these amounts is as follows:		
Amounts Payable:		
Within one year	114,020	117,190
Between one and five years	188,629	305,027
	<u>302,649</u>	<u>422,217</u>
	<u>302,649</u>	<u>422,217</u>

10. Provisions for Liabilities

	Deferred Tax
	£
As at 1 October 2019	122,114
Additions	6,008
Balance at 30 September 2020	<u>128,122</u>

The provision for deferred taxation is made up of accelerated capital allowances

11. Share Capital

	2020	2019
Allotted, Called up and fully paid	<u>102</u>	<u>102</u>

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2020

12. Related Party Transactions

At 30th September 2020 the amount owed by LAHN Property Ltd, a company under common control, totalled £95,000 (2019:£Nil). This amount is non-interest bearing and is repayable on demand.

At 30th September 2020 the amount owed by Cardan Holdings Ltd, a company under common control, totalled £181.72 (2019:£Nil). This amount is non-interest bearing and is repayable on demand.

13. General Information

Cardan Precision Engineering Ltd. is a private company, limited by shares, incorporated in Scotland, registered number SC408269 . The registered office is Unit 2 Block 3, Blantyre Industrial Estate, Glasgow, G72 0UL.

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.