

Statutory Copy

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Company Registration No. 00384371 (England and Wales)

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

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ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		94,624		108,136
Investment properties	4		711,550		175,000
Investments	5		1		1
			<u>806,175</u>		<u>283,137</u>
Current assets					
Debtors	6	1,516,716		2,204,016	
Cash at bank and in hand		176,941		974	
		<u>1,693,657</u>		<u>2,204,990</u>	
Creditors: amounts falling due within one year	7	<u>(246,059)</u>		<u>(217,825)</u>	
Net current assets			<u>1,447,598</u>		<u>1,987,165</u>
Total assets less current liabilities			<u>2,253,773</u>		<u>2,270,302</u>
Provisions for liabilities			<u>(16,980)</u>		<u>(19,328)</u>
Net assets			<u><u>2,236,793</u></u>		<u><u>2,250,974</u></u>
Capital and reserves					
Called up share capital			20,317		20,317
Capital redemption reserve			37,632		37,632
Profit and loss reserves			<u>2,178,844</u>		<u>2,193,025</u>
Total equity			<u><u>2,236,793</u></u>		<u><u>2,250,974</u></u>

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 January 2021 and are signed on its behalf by:

Mr J L Swallow
Director

Company Registration No. 00384371

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Engineering Productions (Pudsey) 1987 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Carlton House, Grammar School Street, Bradford, BD1 4NS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based on the continued support of the directors. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors do not consider the outbreak of Covid-19 to have created a material uncertainty in relation to the going concern of the company. Further details has been included in note 10 events after the reporting date.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	10% Straight line
Plant and equipment	20% Reducing balance
Fixtures and fittings	20% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	-	-
	==	==

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2019 and 31 March 2020	131,867	2,811	134,678
Depreciation and impairment			
At 1 April 2019	25,357	1,185	26,542
Depreciation charged in the year	13,187	325	13,512
At 31 March 2020	38,544	1,510	40,054
Carrying amount			
At 31 March 2020	93,323	1,301	94,624
At 31 March 2019	106,510	1,626	108,136

4 Investment property

	2020 £
Fair value	
At 1 April 2019	175,000
Transfers	536,550
At 31 March 2020	711,550

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2019 by the Directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

5 Fixed asset investments

	2020 £	2019 £
Shares in group undertakings and participating interests	1	1

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Fixed asset investments (Continued)

Movements in fixed asset investments

Shares in group undertakings

	£
Cost or valuation	
At 1 April 2019 & 31 March 2020	1
Carrying amount	
At 31 March 2020	1
At 31 March 2019	1

6 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1	-
Amounts owed by group undertakings	810,803	1,301,975
Other debtors	705,912	902,041
	<u>1,516,716</u>	<u>2,204,016</u>

7 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	156	-
Corporation tax	2,786	-
Other creditors	243,117	217,825
	<u>246,059</u>	<u>217,825</u>

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Events after the reporting date

After the year end the Covid-19 pandemic impacted on businesses and the economy in the United Kingdom and worldwide. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide resulting in an economic slowdown.

The company has determined that these are non-adjusting events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect any impact.

The duration and impact of the COVID-19 pandemic remains unclear at this time, however the company has carried out a review of the impact that Covid-19 might have on the business. Directors have undertaken research, used published Government advice and consulted with key customers, key suppliers and fellow group companies.

The directors have confidence that the company is well placed to cope with the disruption as a result of Covid-19 and believe all reasonable steps have been undertaken to safeguard the future of the business.

ENGINEERING PRODUCTIONS (PUDSEY) 1987 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2020	2019	2020	2019
	£	£	£	£
Entities under common control	-	1,160,000	558,600	1,088,000

During the year a loan of £8,009 provided by Middleton Brothers Pudsey Limited, a subsidiary, was written off. The balance owing by the company as at 31 March 2020 was £nil (2019 - £7,996).

The following amounts were outstanding at the reporting end date:

	2020	2019
	£	£
Amounts due to related parties		
Entities under common control	191,000	200,000

The following amounts were outstanding at the reporting end date:

	2020	2019
	£	£
Amounts due from related parties		
Entities under common control	1,511,448	2,200,616

10 Directors' transactions

Dividends totalling £7,617 (2019 - £0) were paid in the year in respect of shares held by the company's directors.

Interest free loans have been granted by the directors to the company as follows:

Description	% Rate	Opening balance	Amounts advanced	Closing balance
		£	£	£
Directors Loan Account	-	-	7,617	7,617
		-	7,617	7,617

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