

Blundell Production Equipment Limited

Financial statements

for the year ended 31 December 2022

Registered number: 00929625

Information for filing with the registrar

Statement of financial position

As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	307,318	240,759
Current assets			
Stocks	5	2,012,134	1,341,882
Debtors	6	1,896,615	2,401,313
Cash at bank and in hand	7	600,577	481,219
		<u>4,509,326</u>	<u>4,224,414</u>
Creditors: amounts falling due within one year	8	(3,113,874)	(2,912,901)
Net current assets		<u>1,395,452</u>	<u>1,311,513</u>
Total assets less current liabilities		<u>1,702,770</u>	<u>1,552,272</u>
Creditors: amounts falling due after more than one year	9	(672,155)	(767,586)
Provisions for liabilities			
Deferred tax		(3,100)	(3,100)
		<u>(3,100)</u>	<u>(3,100)</u>
Net assets		<u><u>1,027,515</u></u>	<u><u>781,586</u></u>
Capital and reserves			
Called up share capital		100,000	100,000
Profit and loss account		927,515	681,586
		<u><u>1,027,515</u></u>	<u><u>781,586</u></u>

Statement of financial position (continued)

As at 31 December 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 May 2023 and were signed on its behalf by:

Kelby Henn
Director

The notes on pages 3 to 10 form part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2022

1. General information

Blundell Production Equipment Limited is a private company limited by shares and incorporated in England and Wales. The registered office and principal place of business is Unit C-D Quinn Close, Seven Stars Industrial Estate, Coventry, CV3 4LH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland,' ('FRS 102') and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Notes to the financial statements

for the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the financial statements

for the year ended 31 December 2022

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	10%
Plant and machinery	-	25%
Motor vehicles	-	20%
Fixtures and fittings	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

2.10 Debtors

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.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term 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.

Notes to the financial statements

for the year ended 31 December 2022

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.14 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 24 (2021 -24).

Notes to the financial statements

for the year ended 31 December 2022

4. Tangible fixed assets

	Leasehold improvements	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2022	105,078	46,455	387,536	96,880	635,949
Additions	-	3,750	199,021	2,612	205,383
Disposals	-	-	(163,067)	-	(163,067)
At 31 December 2022	105,078	50,205	423,490	99,492	678,265
Depreciation					
At 1 January 2022	100,286	36,527	177,607	80,771	395,191
Charge for the year	669	6,151	71,351	7,749	85,920
Disposals	-	-	(110,164)	-	(110,164)
At 31 December 2022	100,955	42,678	138,794	88,520	370,947
Net book value					
At 31 December 2022	4,123	7,527	284,696	10,972	307,318
At 31 December 2021	4,792	9,928	209,929	16,110	240,759

5. Stocks

	2022 £	2021 £
Finished goods and goods for resale	2,012,134	1,341,882
	<u>2,012,134</u>	<u>1,341,882</u>

Notes to the financial statements

for the year ended 31 December 2022

6. Debtors

	2022 £	2021 £
Trade debtors	869,229	539,693
Amounts owed by group undertakings	307,595	352,595
Other debtors	439,868	843,266
Prepayments and accrued income	279,923	665,759
	<u>1,896,615</u>	<u>2,401,313</u>

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	600,577	481,219
	<u>600,577</u>	<u>481,219</u>

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	214,536	216,786
Other loans	156,517	633,436
Payments received on account	1,039,264	494,528
Trade creditors	731,356	799,799
Corporation tax	100,281	111,451
Other taxation and social security	276,208	199,334
Obligations under finance lease and hire purchase contracts	63,449	84,900
Accruals and deferred income	532,263	372,667
	<u>3,113,874</u>	<u>2,912,901</u>

Notes to the financial statements

for the year ended 31 December 2022

9. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans	587,373	767,586
Net obligations under finance leases and hire purchase contracts	84,782	-
	<u>672,155</u>	<u>767,586</u>

10. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	214,536	216,786
Other loans	156,517	633,436
	<u>371,053</u>	<u>850,222</u>
Amounts falling due 2-5 years		
Bank loans	587,373	767,586
	<u>587,373</u>	<u>767,586</u>
	<u>958,426</u>	<u>1,617,808</u>

The bank loans are secured by a fixed and floating charge placed over the assets of the Company. The bank loans accrue interest at a rate of 2.9% above the base rate and are payable within 5 years.

Other loans accrue interest at a rate of 2.5% and are payable within one year.

11. Contingent liabilities

The company had no contingent liabilities at 31 December 2022 or 31 December 2021.

12. Capital commitments

The company had no capital commitments at 31 December 2022 or 31 December 2021.

Notes to the financial statements

for the year ended 31 December 2022

13. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £34,595 (2021 - £29,011). Contributions totalling £7,591 (2021 - £3,765) were payable to the fund at the reporting date and are included in creditors.

14. Controlling party

The immediate parent undertaking of the company is Blundell Production Holdings Limited, a company with its registered office at 46/48 Beak Street, London, England, W1F 9RJ.

The smallest group of undertakings for which consolidated group accounts, which include the company, have been drawn up is headed by Amcomri 16 Limited. Amcomri 16 Limited has its registered office at 46/48 Beak Street, London, W1F 9RJ.

The ultimate controlling party is Paul McGowan by virtue of his controlling interest in Amcomri 16 Limited.

15. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 17 May 2023 by Peter Chapman (Senior statutory auditor) on behalf of Buzzacott LLP.

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.