

Company Registration No. 01929791 (England and Wales)

**AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**PAGES FOR FILING WITH REGISTRAR**

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# **AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

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# AXIS PRECISION ENGINEERING COMPONENTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	3	358,218	319,987
Investments	4	186,203	199,805
		<u>544,421</u>	<u>519,792</u>
<b>Current assets</b>			
Stocks		35,883	33,068
Debtors	5	461,365	475,937
Cash at bank and in hand		246,231	403,910
		<u>743,479</u>	<u>912,915</u>
<b>Creditors: amounts falling due within one year</b>	6	<u>(188,441)</u>	<u>(277,162)</u>
<b>Net current assets</b>		<u>555,038</u>	<u>635,753</u>
<b>Total assets less current liabilities</b>		<u>1,099,459</u>	<u>1,155,545</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(85,341)	(59,701)
<b>Provisions for liabilities</b>		<u>(51,821)</u>	<u>(46,135)</u>
<b>Net assets</b>		<u><u>962,297</u></u>	<u><u>1,049,709</u></u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss reserves		962,197	1,049,609
<b>Total equity</b>		<u><u>962,297</u></u>	<u><u>1,049,709</u></u>

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 December 2018 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.

# **AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2018***

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The financial statements were approved by the board of directors and authorised for issue on 2 July 2019 and are signed on its behalf by:

Mrs I A Edney  
**Director**

**Company Registration No. 01929791**

# AXIS PRECISION ENGINEERING COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

#### Company information

Axis Precision Engineering Components Limited is a private company limited by shares incorporated in England and Wales. The registered office is Arnhem House, Bentalls, Pippas Hill, Basildon, Essex, SS14 3BX.

#### 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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 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.

#### 1.3 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.

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:

Leasehold property	10% straight line basis
Plant and machinery	14% straight line basis
Fixtures & fittings	20% straight line basis
Motor vehicles	25% reducing balance basis

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.

#### 1.4 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.

# **AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

**(Continued)**

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.

#### **1.5 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.

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.

#### **1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

#### **1.7 Cash at bank and in hand**

Cash at bank and in hand 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.

# AXIS PRECISION ENGINEERING COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.8 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, 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.

#### 1.9 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.

#### 1.10 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.

# AXIS PRECISION ENGINEERING COMPONENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain timing items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 14 (2017 - 14).

# **AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

### **3 Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2018	41,660	1,732,046	1,773,706
Additions	-	129,770	129,770
Disposals	-	(17,500)	(17,500)
At 31 December 2018	41,660	1,844,316	1,885,976
<b>Depreciation and impairment</b>			
At 1 January 2018	41,660	1,412,059	1,453,719
Depreciation charged in the year	-	76,384	76,384
Eliminated in respect of disposals	-	(2,345)	(2,345)
At 31 December 2018	41,660	1,486,098	1,527,758
<b>Carrying amount</b>			
At 31 December 2018	-	358,218	358,218
At 31 December 2017	-	319,987	319,987

### **4 Fixed asset investments**

	2018 £	2017 £
Other investments	186,203	199,805
<b>Movements in fixed asset investments</b>		
		Other £
<b>Cost or valuation</b>		
At 1 January 2018		199,805
Valuation changes		(13,602)
At 31 December 2018		186,203
<b>Carrying amount</b>		
At 31 December 2018		186,203
At 31 December 2017		199,805

# **AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

<b>5 Debtors</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	228,587	256,611
Other debtors	232,778	219,326
	<u>461,365</u>	<u>475,937</u>
	<u><u>461,365</u></u>	<u><u>475,937</u></u>
<b>6 Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	58,492	87,326
Corporation tax	5,011	29,518
Other taxation and social security	17,699	54,075
Other creditors	107,239	106,243
	<u>188,441</u>	<u>277,162</u>
	<u><u>188,441</u></u>	<u><u>277,162</u></u>
<b>7 Creditors: amounts falling due after more than one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other creditors	85,341	59,701
	<u>85,341</u>	<u>59,701</u>
	<u><u>85,341</u></u>	<u><u>59,701</u></u>
<b>8 Called up share capital</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
98 Ordinary shares of £1 each	98	98
1 Ordinary A share of £1 each	1	1
1 Ordinary B share of £1 each	1	1
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>
<b>9 Operating lease commitments</b>		
<b>Lessee</b>		
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	2,253	10,734
	<u>2,253</u>	<u>10,734</u>
	<u><u>2,253</u></u>	<u><u>10,734</u></u>

## **AXIS PRECISION ENGINEERING COMPONENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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#### **10 Related party transactions**

During the year the company advanced £84,436 (2017 - £69,234) to a director and the director repaid £69,234. At the balance sheet date the amount due to the company is £178,891 (2017 - £163,689). No interest has been charged on this loan.

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.