

**FINE LINE SHEET METAL ENGINEERING LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**PAGES FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 JULY 2018**

**FINE LINE SHEET METAL ENGINEERING LIMITED**

**CONTENTS**

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	Page
<b>Balance Sheet</b>	1 - 2
<b>Notes to the Financial Statements</b>	3 - 10

# FINE LINE SHEET METAL ENGINEERING LIMITED

REGISTERED NUMBER:02246447

## BALANCE SHEET AS AT 31 JULY 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	420,386	495,826
		<u>420,386</u>	<u>495,826</u>
<b>Current assets</b>			
Stocks	5	197,736	227,379
Debtors: amounts falling due within one year	6	484,953	384,162
Cash at bank and in hand	7	553,811	637,484
		<u>1,236,500</u>	<u>1,249,025</u>
Creditors: amounts falling due within one year	8	(608,707)	(579,494)
<b>Net current assets</b>		<u>627,793</u>	<u>669,531</u>
<b>Total assets less current liabilities</b>		<u>1,048,179</u>	<u>1,165,357</u>
Creditors: amounts falling due after more than one year	9	(59,396)	(116,370)
<b>Provisions for liabilities</b>			
Deferred tax		(66,685)	(79,495)
		<u>(66,685)</u>	<u>(79,495)</u>
<b>Net assets</b>		<u>922,098</u>	<u>969,492</u>
<b>Capital and reserves</b>			
Called up share capital		30,000	30,000
Profit and loss account		892,098	939,492
		<u>922,098</u>	<u>969,492</u>

# **FINE LINE SHEET METAL ENGINEERING LIMITED**

**REGISTERED NUMBER:02246447**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 JULY 2018**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 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 profit and loss account 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 2 January 2019.

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**Mr S Spencer**

Director

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

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# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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### 1. General information

Fine Line Sheet Metal Engineering Limited is a private company limited by share capital, incorporated in England and Wales, registration number 02246447. The address of the registered office is 5 Springwood Drive, Springwood Industrial Estate, Braintree, Essex, CM7 2YN.

### 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 the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

##### Sale of goods

Revenue 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 revenue 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.

#### 2.3 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase 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 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.

# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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### 2. Accounting policies (continued)

#### 2.4 Long Term Contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenue derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

#### 2.5 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

#### 2.6 Finance costs

Finance costs are charged to the Profit and Loss Account 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.

#### 2.7 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 the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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### 2. Accounting policies (continued)

#### 2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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 balance sheet 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 Balance Sheet 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 balance sheet date.

#### 2.9 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.

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:

Plant and machinery	-	10% to 20% on cost
Motor vehicles	-	25% or 20% on cost
Fixtures and fittings	-	10% on cost

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 the Profit and Loss Account.

# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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### 2. Accounting policies (continued)

#### 2.10 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 balance sheet 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.

#### 2.11 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.

#### 2.12 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.

#### 2.13 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.

#### 2.14 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

#### 2.15 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 the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet 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 Balance Sheet.



# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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### 2. Accounting policies (continued)

#### 2.16 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 non-puttable ordinary shares.

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 Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

#### 2.17 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 29 (2017 - 27).

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# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

### 4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 August 2017	1,519,072	36,659	86,800	1,642,531
Additions	35,355	-	6,425	41,780
Disposals	(18,623)	-	-	(18,623)
At 31 July 2018	<u>1,535,804</u>	<u>36,659</u>	<u>93,225</u>	<u>1,665,688</u>
<b>Depreciation</b>				
At 1 August 2017	1,038,026	23,744	84,937	1,146,707
Charge for the year	103,193	5,166	1,410	109,769
Disposals	(11,174)	-	-	(11,174)
At 31 July 2018	<u>1,130,045</u>	<u>28,910</u>	<u>86,347</u>	<u>1,245,302</u>
<b>Net book value</b>				
At 31 July 2018	<u>405,759</u>	<u>7,749</u>	<u>6,878</u>	<u>420,386</u>
At 31 July 2017	<u>481,047</u>	<u>12,915</u>	<u>1,864</u>	<u>495,826</u>

### 5. Stocks

	2018 £	2017 £
Raw materials and consumables	15,794	14,101
Work in progress	181,942	213,278
	<u>197,736</u>	<u>227,379</u>

# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

### 6. Debtors

	2018 £	2017 £
Trade debtors	426,849	340,862
Other debtors	58,104	43,300
	<u>484,953</u>	<u>384,162</u>

### 7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	553,811	637,484
	<u>553,811</u>	<u>637,484</u>

### 8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	266,013	243,097
Corporation tax	58,835	43,128
Other taxation and social security	68,478	58,673
Other creditors	215,381	234,596
	<u>608,707</u>	<u>579,494</u>

### 9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Other creditors	59,396	116,370
	<u>59,396</u>	<u>116,370</u>

# FINE LINE SHEET METAL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

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### 10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £15,284 (2017 - £19,985). Contributions totalling £1,846 (2017 - £4,411) were payable to the fund at the balance sheet date

### 11. Commitments under operating leases

At 31 July 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	4,809	4,809
Later than 1 year and not later than 5 years	83,000	68,000
	<u>87,809</u>	<u>72,809</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.