

Engineering Control Supplies Limited
Financial Statements
for the Year Ended 31 July 2022

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for the year ended 31 July 2022

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Company Information
for the year ended 31 July 2022

DIRECTORS:	R Jones K Perrin
SECRETARY:	Mrs E Jones
REGISTERED OFFICE:	Roman Hill Trading Estate Broadmayne Dorchester Dorset DT2 8LY
REGISTERED NUMBER:	02492970 (England and Wales)
ACCOUNTANTS:	Read Woodruff Chartered Accountants 24 Cornwall Road Dorchester Dorset DT1 1RX
BANKERS:	HSBC Bank plc 15 Cornhill Dorchester Dorset DT1 1BJ

Balance Sheet
31 July 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	4		-		5,050
Tangible assets	5		1,129,479		1,179,149
Investments	6		15,075		15,075
			1,144,554		1,199,274
CURRENT ASSETS					
Stocks		246,941		206,531	
Debtors	7	482,753		120,947	
Cash at bank and in hand		2,046		51,904	
		731,740		379,382	
CREDITORS					
Amounts falling due within one year	8	760,363		451,962	
NET CURRENT LIABILITIES			(28,623)		(72,580)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,115,931		1,126,694
CREDITORS					
Amounts falling due after more than one year	9		(44,429)		(110,191)
PROVISIONS FOR LIABILITIES			(72,804)		(64,406)
NET ASSETS			998,698		952,097
CAPITAL AND RESERVES					
Called up share capital			154		154
Capital redemption reserve			288		288
Retained earnings			998,256		951,655
SHAREHOLDERS' FUNDS			998,698		952,097

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 25 April 2023 and were signed on its behalf by:

R Jones - Director

Notes to the Financial Statements for the year ended 31 July 2022

1. STATUTORY INFORMATION

Engineering Control Supplies Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2002, is being amortised evenly over its estimated useful life of twenty years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of nil years.

Patents and licences

Amortisation was provided at 10% on cost per annum in order to write off patents and licences over their estimated useful life.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

The directors consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation charge for the year is nil. The directors perform annual impairment reviews to ensure that the recoverable amount is not lower than the carrying value.

Stocks

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 items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the year ended 31 July 2022

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 17 (2021 - 16) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Patents and licences £	Totals £
COST			
At 1 August 2021 and 31 July 2022	<u>242,400</u>	<u>6,778</u>	<u>249,178</u>
AMORTISATION			
At 1 August 2021	237,350	6,778	244,128
Amortisation for year	<u>5,050</u>	<u>-</u>	<u>5,050</u>
At 31 July 2022	<u>242,400</u>	<u>6,778</u>	<u>249,178</u>
NET BOOK VALUE			
At 31 July 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 2021	<u>5,050</u>	<u>-</u>	<u>5,050</u>

Notes to the Financial Statements - continued
for the year ended 31 July 2022

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 August 2021	826,416	890,827	86,234	78,770	1,882,247
Additions	-	4,574	1,923	-	6,497
Disposals	-	-	-	(4,795)	(4,795)
At 31 July 2022	<u>826,416</u>	<u>895,401</u>	<u>88,157</u>	<u>73,975</u>	<u>1,883,949</u>
DEPRECIATION					
At 1 August 2021	-	589,719	58,561	54,818	703,098
Charge for year	-	45,536	4,223	5,965	55,724
Eliminated on disposal	-	-	-	(4,352)	(4,352)
At 31 July 2022	-	<u>635,255</u>	<u>62,784</u>	<u>56,431</u>	<u>754,470</u>
NET BOOK VALUE					
At 31 July 2022	<u>826,416</u>	<u>260,146</u>	<u>25,373</u>	<u>17,544</u>	<u>1,129,479</u>
At 31 July 2021	<u>826,416</u>	<u>301,108</u>	<u>27,673</u>	<u>23,952</u>	<u>1,179,149</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 August 2021	70,000	26,449	96,449
Transfer to ownership	(70,000)	-	(70,000)
At 31 July 2022	-	<u>26,449</u>	<u>26,449</u>
DEPRECIATION			
At 1 August 2021	33,916	15,523	49,439
Charge for year	-	2,732	2,732
Transfer to ownership	(33,916)	-	(33,916)
At 31 July 2022	-	<u>18,255</u>	<u>18,255</u>
NET BOOK VALUE			
At 31 July 2022	-	<u>8,194</u>	<u>8,194</u>
At 31 July 2021	<u>36,084</u>	<u>10,926</u>	<u>47,010</u>

6. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 August 2021 and 31 July 2022	<u>15,075</u>
NET BOOK VALUE	
At 31 July 2022	<u>15,075</u>
At 31 July 2021	<u>15,075</u>

Notes to the Financial Statements - continued
for the year ended 31 July 2022

7.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
		£	£
	Trade debtors	440,069	85,616
	Other debtors	42,684	35,331
		<u>482,753</u>	<u>120,947</u>
8.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
		£	£
	Bank loans and overdrafts	269,371	275,312
	Hire purchase contracts	11,145	15,325
	Trade creditors	365,645	91,660
	Taxation and social security	72,624	23,544
	Other creditors	41,578	46,121
		<u>760,363</u>	<u>451,962</u>
9.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2022	2021
		£	£
	Bank loans	44,429	99,046
	Hire purchase contracts	-	11,145
		<u>44,429</u>	<u>110,191</u>
10.	SECURED DEBTS		
	The following secured debts are included within creditors:		
		2022	2021
		£	£
	Bank overdrafts	214,948	222,235
	Hire purchase contracts	11,145	26,470
	Bank loans	59,967	103,690
		<u>286,060</u>	<u>352,395</u>
	HSBC Bank plc loan, overdraft and credit card facilities are secured by a debenture created on 8 October 2014 comprising fixed and floating charges over all property and assets, present and future, together with a legal mortgage over the company's freehold property created 4 November 2014.		
	Hire purchase liabilities are secured on the assets concerned.		
11.	OTHER FINANCIAL COMMITMENTS		
	The company has future operating lease commitments totalling £43,645.		

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.