
PRINTED MOTOR WORKS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

PRINTED MOTOR WORKS LIMITED
REGISTERED NUMBER:06838137

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	720,197	744,765
		<u>720,197</u>	<u>744,765</u>
Current assets			
Stocks	5	415,721	455,288
Debtors: amounts falling due within one year	6	1,804,956	2,172,407
Cash at bank and in hand		2,210,051	1,673,121
		<u>4,430,728</u>	<u>4,300,816</u>
Creditors: amounts falling due within one year	7	(545,608)	(766,800)
Net current assets		<u>3,885,120</u>	<u>3,534,016</u>
Total assets less current liabilities		<u>4,605,317</u>	<u>4,278,781</u>
Creditors: amounts falling due after more than one year	8	(456,750)	(481,110)
Provisions for liabilities			
Deferred tax		(7,276)	(9,560)
Other provisions	9	(35,086)	(56,220)
		<u>(42,362)</u>	<u>(65,780)</u>
Net assets		<u><u>4,106,205</u></u>	<u><u>3,731,891</u></u>
Capital and reserves			
Called up share capital		2	2
Retained earnings		4,106,203	3,731,889
Shareholders' funds		<u><u>4,106,205</u></u>	<u><u>3,731,891</u></u>

PRINTED MOTOR WORKS LIMITED
REGISTERED NUMBER:06838137

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

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 the 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 Statement of Income and Retained Earnings 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 by:

E C Hunter Smart
Director

Date: 18 December 2020

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Printed Motor Works Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 06838137). The address of the registered office is 19 Newman Lane, Alton, Hampshire, GU34 2QW.

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 Going concern

The financial statements have been prepared on a going concern basis.

The directors have carefully reviewed the future prospects of the Company and its future cash flows, including an assessment of the potential impact of the COVID-19 pandemic. The full and longer term impacts of the COVID-19 pandemic on the business remain uncertain and as a result unquantifiable at this stage. Nevertheless, the business has remained in operation throughout the COVID-19 pandemic and at the date of signing these accounts the year to date sales for the year ended 31 December 2020 are over 25% higher than the same period last year, with margins being maintained. Having assessed all factors the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'administrative expenses'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 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.

2.5 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:

Freehold property	-	2%
Plant and machinery	-	20%
Furniture, fittings and equipment	-	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.

2.6 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

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 profit or loss 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.

2.8 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.10 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.11 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. Dividends on shares recognised as liabilities are recognised as expenses

and classified within interest payable.

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2018: 22).

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Cost				
At 1 January 2019	749,414	117,474	91,861	958,749
Additions	-	2,900	11,170	14,070
At 31 December 2019	749,414	120,374	103,031	972,819
Depreciation				
At 1 January 2019	64,450	99,519	50,015	213,984
Charge for the year	10,492	10,759	17,387	38,638
At 31 December 2019	74,942	110,278	67,402	252,622
Net book value				
At 31 December 2019	674,472	10,096	35,629	720,197
At 31 December 2018	684,964	17,955	41,846	744,765

PRINTED MOTOR WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Stocks

	2019 £	2018 £
Raw materials	346,943	385,456
Work in progress	68,778	69,832
	<u>415,721</u>	<u>455,288</u>

6. Debtors

	2019 £	2018 £
Trade debtors	330,023	688,161
Other debtors	1,460,469	1,469,301
Prepayments and accrued income	14,464	14,945
	<u>1,804,956</u>	<u>2,172,407</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	24,360	24,360
Trade creditors	292,540	262,767
Corporation tax	141,719	329,479
Other taxation and social security	52,084	110,766
Other creditors	23,301	29,382
Accruals and deferred income	11,604	10,046
	<u>545,608</u>	<u>766,800</u>

PRINTED MOTOR WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Bank loans	<u>456,750</u>	<u>481,110</u>
Secured loans		

The bank loan is secured by a mortgage dated 21 July 2014 over the freehold property of the Company. It is repayable by instalments with the final payment due 2023.

9. Other provisions

	Warranty provision £
At 1 January 2019	56,220
Utilised in year	(21,134)
At 31 December 2019	<u><u>35,086</u></u>

10. Pension commitments

The Company operates a defined contribution 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 £10,185 (2018: £7,216). Contributions totalling £Nil (2018: £Nil) were payable to the fund at the reporting date.

11. Related party transactions

During the year, the directors and shareholders incurred trading expenses totalling £1,994 (2018: £15,887) on behalf of the Company. At the year end, the Company owed them £Nil (2018: £Nil).

Included within other debtors are loans totalling £1,460,465 (2018: £1,460,145) made to companies in which the shareholders and directors have a controlling interest. The loans are not currently accruing interest.

During the year, the Company made sales of £3,071 (2018: £36,742) to and purchases of £542,115 (2018: £594,363) from a company under common control. At the year end, £71,580 (2018: £27,368) was due and included in creditors.

Dividends totalling £240,000 (2018: £180,000) were paid to the directors and shareholders in the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Post balance sheet events

On 11 March 2020 COVID-19 was declared a global pandemic by the World Health Organisation. On 23 March 2020 the UK went into lockdown and remains in partial lockdown at the date of signing these financial statements.

The business has remained in operation throughout the lockdown and at the date of signing these accounts the year to date sales for the year ended 31 December 2020 are over 25% higher than the same period last year, with margins being maintained. Any longer term impact of the COVID-19 pandemic on the business is unquantifiable at this stage.

13. Controlling party

The ultimate controlling parties are the directors.

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.