

Bright Engineering (Precision Products) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 September 2019

Hargreaves Brown & Benson
1 Bond Street
Colne
Lancashire
BB8 9DG

Bright Engineering (Precision Products) Limited

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Bright Engineering (Precision Products) Limited

Company Information

Directors	Mr G D Hall Mr J T Hoyle Mr N E Jenkins
Registered office	3 Carr Side Lomeshaye Industrial Estate Nelson Lancashire BB9 6RX
Accountants	Hargreaves Brown & Benson 1 Bond Street Colne Lancashire BB8 9DG

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Bright Engineering (Precision Products) Limited
for the Year Ended 30 September 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Bright Engineering (Precision Products) Limited for the year ended 30 September 2019 as set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Bright Engineering (Precision Products) Limited. Our work has been undertaken solely to prepare for your approval the accounts of Bright Engineering (Precision Products) Limited and state those matters that we have agreed to state to the Board of Directors of Bright Engineering (Precision Products) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bright Engineering (Precision Products) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Bright Engineering (Precision Products) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Bright Engineering (Precision Products) Limited. You consider that Bright Engineering (Precision Products) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Bright Engineering (Precision Products) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Hargreaves Brown & Benson
1 Bond Street
Colne
Lancashire
BB8 9DG

1 November 2019

Bright Engineering (Precision Products) Limited

(Registration number: 10401487)
Balance Sheet as at 30 September 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	1,186,320	554,645
Current assets			
Stocks	<u>5</u>	289,942	160,160
Debtors	<u>6</u>	330,612	558,968
Cash at bank and in hand		-	86,379
		<u>620,554</u>	<u>805,507</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(830,643)</u>	<u>(787,893)</u>
Net current (liabilities)/assets		<u>(210,089)</u>	<u>17,614</u>
Total assets less current liabilities		976,231	572,259
Creditors: Amounts falling due after more than one year	<u>7</u>	(662,601)	(316,320)
Provisions for liabilities		<u>(201,205)</u>	<u>(73,574)</u>
Net assets		<u>112,425</u>	<u>182,365</u>
Capital and reserves			
Called up share capital		3,000	3,000
Revaluation reserve		25,000	-
Profit and loss account		<u>84,425</u>	<u>179,365</u>
Total equity		<u>112,425</u>	<u>182,365</u>

For the financial year ending 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 5 to 9 form an integral part of these financial statements.

Bright Engineering (Precision Products) Limited

(Registration number: 10401487)
Balance Sheet as at 30 September 2019

Approved and authorised by the Board on 1 November 2019 and signed on its behalf by:

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Mr G D Hall

Director

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Mr J T Hoyle

Director

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Mr N E Jenkins

Director

The notes on pages 5 to 9 form an integral part of these financial statements.
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Bright Engineering (Precision Products) Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

3 Carr Side
Lomeshaye Industrial Estate
Nelson
Lancashire
BB9 6RX

These financial statements were authorised for issue by the Board on 1 November 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	8.333% straight line
Fixtures, fittings and equipment	25% straight line
Motor vehicles	25% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Bright Engineering (Precision Products) Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Bright Engineering (Precision Products) Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 31 (2018 - 26).

Bright Engineering (Precision Products) Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 October 2018	49,885	2,250	573,132	625,267
Revaluations	-	-	25,000	25,000
Additions	29,516	-	685,745	715,261
Disposals	-	-	(36,000)	(36,000)
At 30 September 2019	79,401	2,250	1,247,877	1,329,528
Depreciation				
At 1 October 2018	11,714	1,521	57,387	70,622
Charge for the year	16,268	729	62,048	79,045
Eliminated on disposal	-	-	(6,459)	(6,459)
At 30 September 2019	27,982	2,250	112,976	143,208
Carrying amount				
At 30 September 2019	51,419	-	1,134,901	1,186,320
At 30 September 2018	38,171	729	515,745	554,645

The plant and machinery has been revalued by the directors based on a current market value basis.

5 Stocks

	2019 £	2018 £
Other inventories	289,942	160,160

6 Debtors

	2019 £	2018 £
Trade debtors	242,239	483,731
Other debtors	88,373	75,237
Total current trade and other debtors	330,612	558,968

Bright Engineering (Precision Products) Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

7 Creditors

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	<u>8</u>	464,043	486,220
Trade creditors		225,724	133,331
Taxation and social security		72,739	90,011
Other creditors		<u>68,137</u>	<u>78,331</u>
		<u>830,643</u>	<u>787,893</u>
Due after one year			
Loans and borrowings	<u>8</u>	<u>662,601</u>	<u>316,320</u>

8 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	28,623	-
Finance lease liabilities	573,978	316,320
Other borrowings	<u>60,000</u>	<u>-</u>
	<u>662,601</u>	<u>316,320</u>
Current loans and borrowings		
Bank borrowings	2,885	11,438
Bank overdrafts	38,943	-
Finance lease liabilities	216,410	60,562
Other borrowings	<u>205,805</u>	<u>414,220</u>
	<u>464,043</u>	<u>486,220</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.