

PENDEFORD METAL SPINNINGS LIMITED

Company Registration No. 01013760 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

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PENDEFORD METAL SPINNINGS LIMITED

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PENDEFORD METAL SPINNINGS LIMITED

BALANCE SHEET

AS AT 31 JULY 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|--|-------|------------------|----------------|------------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 226,541 | | 254,847 |
| Current assets | | | | | |
| Stocks | | 554,768 | | 574,011 | |
| Debtors | 4 | 506,096 | | 457,997 | |
| Cash at bank and in hand | | 885 | | 1,067 | |
| | | <u>1,061,749</u> | | <u>1,033,075</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(726,824)</u> | | <u>(658,259)</u> | |
| Net current assets | | | 334,925 | | 374,816 |
| Total assets less current liabilities | | | <u>561,466</u> | | <u>629,663</u> |
| Creditors: amounts falling due after more than one year | 6 | | (6,858) | | (55,173) |
| Net assets | | | <u>554,608</u> | | <u>574,490</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 750 | | 750 |
| Share premium account | | | 14,023 | | 14,023 |
| Capital redemption reserve | | | 250 | | 250 |
| Profit and loss reserves | | | 539,585 | | 559,467 |
| Total equity | | | <u>554,608</u> | | <u>574,490</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 July 2019 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.

PENDEFORD METAL SPINNINGS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2019

The financial statements were approved by the board of directors and authorised for issue on 9 December 2019 and are signed on its behalf by:

Mr R W Humphries

Director

Company Registration No. 01013760

PENDEFORD METAL SPINNINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Pendeford Metal Spinnings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Neachells Lane, Willenhall, West Midlands, WV13 3SF.

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. 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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:

| | |
|--------------------------------|----------------------|
| Land and buildings Freehold | 2% straight line |
| Plant and machinery | 10% straight line |
| Fixtures, fittings & equipment | 20-33% straight line |
| Motor vehicles | 25% straight line |

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 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.

PENDEFORD METAL SPINNINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.5 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.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents 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.

1.7 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.

1.8 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.

1.9 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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.10 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.

PENDEFORD METAL SPINNINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.11 Retirement benefits

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

1.12 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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 20 (2018 - 17).

PENDEFORD METAL SPINNINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

3 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|-----------------------|----------------------------|---------|
| | £ | £ | £ |
| Cost | | | |
| At 1 August 2018 | 308,361 | 242,424 | 550,785 |
| Additions | - | 286 | 286 |
| At 31 July 2019 | 308,361 | 242,710 | 551,071 |
| Depreciation and impairment | | | |
| At 1 August 2018 | 88,157 | 207,781 | 295,938 |
| Depreciation charged in the year | 6,167 | 22,425 | 28,592 |
| At 31 July 2019 | 94,324 | 230,206 | 324,530 |
| Carrying amount | | | |
| At 31 July 2019 | 214,037 | 12,504 | 226,541 |
| At 31 July 2018 | 220,204 | 34,643 | 254,847 |

4 Debtors

| | 2019 £ | 2018 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 462,095 | 419,194 |
| Other debtors | 44,001 | 38,803 |
| | 506,096 | 457,997 |

5 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|-----------|-----------|
| Bank loans and overdrafts | 295,779 | 272,174 |
| Trade creditors | 289,237 | 183,464 |
| Corporation tax | 1,384 | 9,611 |
| Other taxation and social security | 49,036 | 70,657 |
| Other creditors | 91,388 | 122,353 |
| | 726,824 | 658,259 |

PENDEFORD METAL SPINNINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

6 Creditors: amounts falling due after more than one year

| | 2019 £ | 2018 £ |
|---------------------------|--------------|---------------|
| Bank loans and overdrafts | 5,858 | 40,840 |
| Other creditors | 1,000 | 14,333 |
| | <u>6,858</u> | <u>55,173</u> |

Obligations under Hire Purchase agreements are secured on the assets concerned.

Bank borrowings are secured over the assets of the business.

7 Called up share capital

| | 2019 £ | 2018 £ |
|--------------------------------|------------|------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 750 Ordinary shares of £1 each | 750 | 750 |
| | <u>750</u> | <u>750</u> |

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| | 12,213 | 22,902 |
| | <u>12,213</u> | <u>22,902</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.