

Rilmac Fabrication Limited
Filleted Financial Statements
For the year ended
31 August 2018



Rilmac Fabrication Limited

Statement of Financial Position

31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	168,378	196,468
Investments	6	10,000	10,000
		<u>178,378</u>	<u>206,468</u>
Current assets			
Stocks		1,095,456	912,367
Debtors	7	905,412	1,020,526
		<u>2,000,868</u>	<u>1,932,893</u>
Creditors: amounts falling due within one year	8	<u>1,972,380</u>	<u>1,917,433</u>
Net current assets		<u>28,488</u>	<u>15,460</u>
Total assets less current liabilities		<u>206,866</u>	<u>221,928</u>
Provisions			
Taxation including deferred tax		18,650	22,872
Net assets		<u>188,216</u>	<u>199,056</u>
Capital and reserves			
Called up share capital		26,353	26,353
Share premium account		1,370	1,370
Profit and loss account		160,493	171,333
Shareholders funds		<u>188,216</u>	<u>199,056</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 8 April 2019, and are signed on behalf of the board by:

P K Walker
Director



Company registration number: 00938327

The notes on pages 2 to 6 form part of these financial statements.

Rilmac Fabrication Limited

Notes to the Financial Statements

Year ended 31 August 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Crofton Drive, Allenby Road Industrial Estate, Lincoln, Lincs, LN3 4NJ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The financial statements comply with applicable legislation, except where otherwise stated, to achieve a fair presentation. Management has concluded that the financial statements present fairly the company's financial position and performance.

Going concern

The directors have considered whether the financial statements should be prepared on a going concern basis. The directors have received confirmation that the parent company will continue to provide financial support as and when required consistent with previous years. The directors therefore do not consider there to be any material uncertainty regarding the company's ability to continue as a going concern. Accordingly the directors have adopted the going concern basis for the preparation of these financial statements.

Consolidation

The entity has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the entity and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Rilmac Fabrication Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Tangible fixed assets are recognised at cost less accumulated depreciation and any impairments. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the company's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The cost of inventory and associated provisioning are considered regularly. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of goods for resale.

Investments are recognised at cost less any impairment. The carrying amount of the company's investments are tested as soon as changed conditions show that a need for impairment has arisen.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all material timing differences at the reporting date.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	10% straight line
Plant & Machinery	-	15% to 25% reducing balance
Commercial vehicles	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	33% straight line

Rilmac Fabrication Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

3. Accounting policies *(continued)*

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

Stocks are valued at the lower of cost and net realisable value on a first in first out basis, after making due allowance for obsolete and slow moving items.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 32 (2017: 35).

Rilmac Fabrication Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

5. Tangible assets

	Land and buildings £	Plant and machinery £	Commercial vehicles £	Motor vehicles £	Office equipment £	Total £
Cost						
At 1 Sep 2017	33,396	746,221	58,263	43,500	105,483	986,863
Additions	–	5,861	–	–	559	6,420
At 31 Aug 2018	33,396	752,082	58,263	43,500	106,042	993,283
Depreciation						
At 1 Sep 2017	29,912	585,958	46,537	24,464	103,524	790,395
Charge for the year	348	25,478	3,032	4,759	893	34,510
At 31 Aug 2018	30,260	611,436	49,569	29,223	104,417	824,905
Carrying amount						
At 31 Aug 2018	3,136	140,646	8,694	14,277	1,625	168,378
At 31 Aug 2017	3,484	160,263	11,726	19,036	1,959	196,468

6. Investments

	Shares in group undertakings £
Cost	
At 1 September 2017 and 31 August 2018	10,000
Impairment	
At 1 September 2017 and 31 August 2018	–
Carrying amount	
At 31 August 2018	10,000
At 31 August 2017	10,000

The company owns 100% of the issued share capital of Rilmac Limited, a dormant company registered in the United Kingdom with aggregate capital and reserves of £12,621.

Under the provisions of the Companies Act the company is exempt from preparing consolidated accounts and has not done so. Therefore the accounts show information about the company as an individual entity.

7. Debtors

	2018 £	2017 £
Trade debtors	613,764	930,998
Amounts owed by group undertakings and undertakings in which the company has a participating interest	257,449	67,684
Other debtors	34,199	21,844
	905,412	1,020,526

Rilmac Fabrication Limited

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

8. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	139,100	259,888
Trade creditors	328,933	616,382
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,275,497	794,498
Corporation tax	2,219	936
Social security and other taxes	84,819	122,736
Other creditors	141,812	122,993
	<u>1,972,380</u>	<u>1,917,433</u>

The bank overdraft is secured by an inter company guarantee over the assets of the group.

9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	27,500	55,500
Later than 1 year and not later than 5 years	–	27,500
	<u>27,500</u>	<u>83,000</u>

10. Summary audit opinion

The auditor's report for the year dated 10 April 2019 was unqualified.

The senior statutory auditor was Robin Lee, for and on behalf of Streets Audit LLP.

11. Related party transactions

The company is controlled by the directors of the holding company.

12. Controlling party

The ultimate parent company of the company is Rilmac Holdings Limited which is incorporated in the United Kingdom.