

Company Registration No. 01051404 (England and Wales)

**HYDRAULIC & TRANSMISSION SERVICES LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2021**

**PAGES FOR FILING WITH REGISTRAR**

# HYDRAULIC & TRANSMISSION SERVICES LIMITED

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# HYDRAULIC & TRANSMISSION SERVICES LIMITED

## BALANCE SHEET

AS AT 31 JULY 2021

|   |       | 2021             |                  | 2020             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   | Notes | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Tangible assets                                       | 5     |                  | 357,839          |                  | 379,982          |
| Investment properties                                 | 6     |                  | 484,534          |                  | 484,534          |
|   |       |                  | <u>842,373</u>   |                  | <u>864,516</u>   |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Stocks  |       | 347,125          |                  | 367,000          |                  |
| Debtors   | 7     | 1,935,579        |                  | 1,867,672        |                  |
| Cash at bank and in hand                              |       | 1,422,726        |                  | 1,173,698        |                  |
|   |       | <u>3,705,430</u> |                  | <u>3,408,370</u> |                  |
| <b>Creditors: amounts falling due within one year</b> | 8     | <u>(472,174)</u> |                  | <u>(475,663)</u> |                  |
| <b>Net current assets</b>                             |       |                  | <u>3,233,256</u> |                  | <u>2,932,707</u> |
| <b>Net assets</b>                                     |       |                  | <u>4,075,629</u> |                  | <u>3,797,223</u> |
| <b>Capital and reserves</b>                           |       |                  |                  |                  |                  |
| Called up share capital                               |       |                  | 521              |                  | 521              |
| Profit and loss reserves                              |       |                  | 4,075,108        |                  | 3,796,702        |
| <b>Total equity</b>                                   |       |                  | <u>4,075,629</u> |                  | <u>3,797,223</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 2021 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.

The financial statements were approved by the board of directors and authorised for issue on 5 January 2022 and are signed on its behalf by:

P P Harrison  
**Director**

**Company Registration No. 01051404**

# HYDRAULIC & TRANSMISSION SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

#### Company information

Hydraulic & Transmission Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cannon Street, Salford, Manchester, M3 6ND.

#### 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 modified to include investment properties at fair value. 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.

#### 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% on cost  |
| Plant and machinery            | 20% on cost |
| Fixtures, fittings & equipment | 20% on cost |
| Motor vehicles                 | 25% on cost |

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 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

# HYDRAULIC & TRANSMISSION SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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**1 Accounting policies** **(Continued)**

**1.6 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.

**1.7 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

**1.8 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.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction cost. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors, loans and accruals are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

**1.9 Taxation**

The tax expense represents the tax currently payable.

**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.

**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.

**1.11 Retirement benefits**

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

# HYDRAULIC & TRANSMISSION SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 1 Accounting policies (Continued)

#### 1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2021<br>Number | 2020<br>Number |
|-------|----------------|----------------|
| Total | 27             | 27             |

### 4 Intangible fixed assets

|                                    | Goodwill<br>£ |
|------------------------------------|---------------|
| <b>Cost</b>                        |               |
| At 1 August 2020 and 31 July 2021  | 109,500       |
| <b>Amortisation and impairment</b> |               |
| At 1 August 2020 and 31 July 2021  | 109,500       |
| <b>Carrying amount</b>             |               |
| At 31 July 2021                    | -             |
| At 31 July 2020                    | -             |

## HYDRAULIC & TRANSMISSION SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

5 Tangible fixed assets

|                                    | Land and<br>buildings | Plant and<br>machinery etc | Total   |
|------------------------------------|-----------------------|----------------------------|---------|
|                                    | £                     | £                          | £       |
| <b>Cost</b>                        |                       |                            |         |
| At 1 August 2020 and 31 July 2021  | 510,534               | 288,406                    | 798,940 |
| <b>Depreciation and impairment</b> |                       |                            |         |
| At 1 August 2020                   | 155,117               | 263,841                    | 418,958 |
| Depreciation charged in the year   | 10,212                | 11,931                     | 22,143  |
| At 31 July 2021                    | 165,329               | 275,772                    | 441,101 |
| <b>Carrying amount</b>             |                       |                            |         |
| At 31 July 2021                    | 345,205               | 12,634                     | 357,839 |
| At 31 July 2020                    | 355,417               | 24,565                     | 379,982 |

# HYDRAULIC & TRANSMISSION SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 6 Investment property

|                                   |             |
|-----------------------------------|-------------|
|                                   | <b>2021</b> |
|                                   | <b>£</b>    |
| <b>Fair value</b>                 |             |
| At 1 August 2020 and 31 July 2021 | 484,534     |

Investment property comprises residential properties held for rent. The fair value of the investment property has been arrived at on the basis of a valuation carried out by a director on 31 July 2019. The valuation is equal to the historical cost. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 7 Debtors

|   | <b>2021</b>      | <b>2020</b>      |
|---|------------------|------------------|
| <b>Amounts falling due within one year:</b> | <b>£</b>         | <b>£</b>         |
| Trade debtors                               | 397,202          | 350,130          |
| Other debtors                               | 1,538,377        | 1,517,542        |
|   | <u>1,935,579</u> | <u>1,867,672</u> |

### 8 Creditors: amounts falling due within one year

|                              | <b>2021</b>    | <b>2020</b>    |
|------------------------------|----------------|----------------|
|                              | <b>£</b>       | <b>£</b>       |
| Trade creditors              | 128,651        | 61,139         |
| Taxation and social security | 224,690        | 306,072        |
| Other creditors              | 118,833        | 108,452        |
|                              | <u>472,174</u> | <u>475,663</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.