

REGISTERED NUMBER: 01195702 (England and Wales)

Unaudited Financial Statements

for the Year Ended

30 April 2019

for

HCM Engineering Limited



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for the Year Ended 30 April 2019

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DIRECTORS:

S Hanson
M G Hanson

REGISTERED OFFICE:

Pedmore Road
Lye
Stourbridge
West Midlands
DY9 7DZ

REGISTERED NUMBER:

01195702 (England and Wales)

ACCOUNTANTS:

Nicklin LLP
Church Court
Stourbridge Road
Halesowen
West Midlands
B63 3TT

Balance Sheet
30 April 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	373,045	428,866
Investments	5	162,645	162,645
		<u>535,690</u>	<u>591,511</u>
CURRENT ASSETS			
Stocks		180,068	131,940
Debtors	6	526,404	767,410
Cash at bank and in hand		133,778	-
		<u>840,250</u>	<u>899,350</u>
CREDITORS			
Amounts falling due within one year	7	587,087	681,550
NET CURRENT ASSETS		<u>253,163</u>	<u>217,800</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>788,853</u>	<u>809,311</u>
CREDITORS			
Amounts falling due after more than one year	8	(140,662)	(236,008)
PROVISIONS FOR LIABILITIES		(25,620)	(34,650)
ACCRUALS AND DEFERRED INCOME		(20,508)	(25,834)
NET ASSETS		<u>602,063</u>	<u>512,819</u>
CAPITAL AND RESERVES			
Called up share capital		19,998	19,998
Retained earnings	10	582,065	492,821
SHAREHOLDERS' FUNDS		<u>602,063</u>	<u>512,819</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.


HCM Engineering Limited (Registered number: 01195702)

Balance Sheet - continued
30 April 2019

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on6/12/19..... and were signed on its behalf by:


.....
M G Hanson - Director

The notes form part of these financial statements

1. **STATUTORY INFORMATION**

HCM Engineering Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- at varying rates on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost consists of direct material, labour and attributable overheads. Net realisable value is based on estimated selling price, less any further costs of realisation.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

2. **ACCOUNTING POLICIES - continued**

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with lessor are charged against profits on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 27 (2018 - 27).

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2018	1,654,208	221,488	19,540	1,895,236
Additions	3,042	3,678	-	6,720
Disposals	-	(1,000)	-	(1,000)
At 30 April 2019	1,657,250	224,166	19,540	1,900,956
DEPRECIATION				
At 1 May 2018	1,266,702	184,249	15,419	1,466,370
Charge for year	51,538	9,973	1,030	62,541
Eliminated on disposal	-	(1,000)	-	(1,000)
At 30 April 2019	1,318,240	193,222	16,449	1,527,911
NET BOOK VALUE				
At 30 April 2019	339,010	30,944	3,091	373,045
At 30 April 2018	387,506	37,239	4,121	428,866

5. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 May 2018 and 30 April 2019	162,645
NET BOOK VALUE	
At 30 April 2019	162,645
At 30 April 2018	162,645

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	317,023	500,723
Other debtors	209,381	266,687
	526,404	767,410

Notes to the Financial Statements - continued
for the Year Ended 30 April 2019

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts	-	57,149
Hire purchase contracts	51,214	80,523
Trade creditors	94,122	236,993
Social security and other taxes	61,053	1,974
Other creditors	56,876	7,307
Payments received on account	304,376	277,930
Accruals and deferred income	19,446	19,674
	<u>587,087</u>	<u>681,550</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Hire purchase contracts	95,062	142,136
Other creditors	45,600	45,600
Pension scheme loan	-	48,272
	<u>140,662</u>	<u>236,008</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Bank overdraft	-	57,149

10. RESERVES

	Retained earnings £
At 1 May 2018	492,821
Profit for the year	169,244
Dividends	(80,000)
At 30 April 2019	<u>582,065</u>

11. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 April 2019 and 30 April 2018:

	2019 £	2018 £
M G Hanson		
Balance outstanding at start of year	39,658	32,099
Amounts advanced	45,962	43,759
Amounts repaid	(40,000)	(36,200)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>45,620</u>	<u>39,658</u>

11. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

S Hanson

Balance outstanding at start of year	39,455	31,835
Amounts advanced	46,550	43,820
Amounts repaid	(40,000)	(36,200)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>46,005</u>	<u>39,455</u>

12. **RELATED PARTY DISCLOSURES**

The bank overdraft facilities have been personally guaranteed by the directors up to a limit of £125,000.