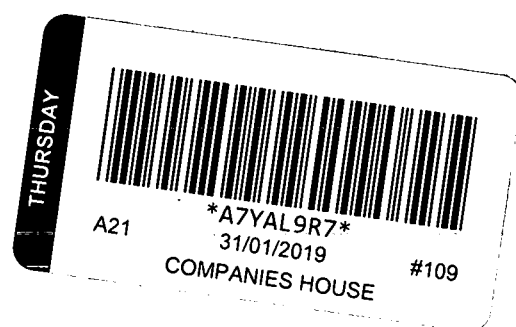


REGISTERED NUMBER: 01195702 (England and Wales)

Financial Statements
for the Year Ended
30 April 2018
for
HCM Engineering Limited



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for the Year Ended 30 April 2018

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HCM Engineering Limited

Company Information
for the Year Ended 30 April 2018

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 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	4	428,866	236,564
Investments	5	162,645	162,645
		<u>591,511</u>	<u>399,209</u>
CURRENT ASSETS			
Stocks		131,940	239,227
Debtors	6	767,410	589,657
Cash in hand		-	179
		<u>899,350</u>	<u>829,063</u>
CREDITORS			
Amounts falling due within one year	7	681,550	661,504
NET CURRENT ASSETS		<u>217,800</u>	<u>167,559</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>809,311</u>	<u>566,768</u>
CREDITORS			
Amounts falling due after more than one year	8	(236,008)	(173,045)
PROVISIONS FOR LIABILITIES		(34,650)	-
ACCRUALS AND DEFERRED INCOME		<u>(25,834)</u>	<u>(34,410)</u>
NET ASSETS		<u><u>512,819</u></u>	<u><u>359,313</u></u>
CAPITAL AND RESERVES			
Called up share capital		19,998	19,998
Retained earnings	10	492,821	339,315
SHAREHOLDERS' FUNDS		<u><u>512,819</u></u>	<u><u>359,313</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2018 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 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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 on 29/1/19 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

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.

2. **ACCOUNTING POLICIES - continued**

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.

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 (2017 - 25).

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2017	1,517,915	207,914	19,540	1,745,369
Additions	248,293	13,574	-	261,867
Disposals	(112,000)	-	-	(112,000)
At 30 April 2018	1,654,208	221,488	19,540	1,895,236
DEPRECIATION				
At 1 May 2017	1,322,589	172,171	14,045	1,508,805
Charge for year	56,113	12,078	1,374	69,565
Eliminated on disposal	(112,000)	-	-	(112,000)
At 30 April 2018	1,266,702	184,249	15,419	1,466,370
NET BOOK VALUE				
At 30 April 2018	387,506	37,239	4,121	428,866
At 30 April 2017	195,326	35,743	5,495	236,564

5. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 May 2017 and 30 April 2018	162,645
NET BOOK VALUE	
At 30 April 2018	162,645
At 30 April 2017	162,645

Notes to the Financial Statements - continued
for the Year Ended 30 April 2018

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

	2018	2017
	£	£
Trade debtors	500,723	479,217
Other debtors	266,687	110,440
	<u>767,410</u>	<u>589,657</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Bank loans and overdrafts	57,149	44,510
Hire purchase contracts	80,523	43,378
Trade creditors	236,993	147,515
Social security and other taxes	1,974	65,052
Other creditors	7,307	790
Payments received on account	277,930	311,847
Accruals and deferred income	19,674	48,412
	<u>681,550</u>	<u>661,504</u>

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

	2018	2017
	£	£
Hire purchase contracts	142,136	50,138
Other creditors	45,600	-
Pension scheme loan	48,272	122,907
	<u>236,008</u>	<u>173,045</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank overdrafts	<u>57,149</u>	<u>44,510</u>

10. **RESERVES**

	Retained earnings £
At 1 May 2017	339,315
Profit for the year	225,906
Dividends	<u>(72,400)</u>
At 30 April 2018	<u>492,821</u>

11. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 April 2018 and 30 April 2017:

	2018 £	2017 £
M G Hanson		
Balance outstanding at start of year	32,099	33,013
Amounts advanced	42,858	35,286
Amounts repaid	(36,200)	(36,200)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>38,757</u>	<u>32,099</u>
S Hanson		
Balance outstanding at start of year	31,835	33,013
Amounts advanced	43,824	35,022
Amounts repaid	(36,200)	(36,200)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>39,459</u>	<u>31,835</u>

12. RELATED PARTY DISCLOSURES

The following transactions were undertaken with Related Parties in the year.

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