Registered number
01983373

Mechanics Centre Limited

Report and Unaudited Accounts

31 March 2019

Mechanics Centre Limited

Registered number: 01983373

Balance Sheet

as at 31 March 2019

	Notes		2019		2018
			£		£
Fixed assets					
Tangible assets	2		64,275		51,490
Current assets					
Stocks		1,288		2,428	
Debtors	3	44,966		35,645	
Cash at bank and in hand		93,749		83,587	
		140,003		121,660	
Creditors: amounts falling due within one year	4	(74,431)		(56,271)	
Net current assets			65,572		65,389
Total assets less current liabilities			129,847		116,879
Creditors: amounts falling due after more than one year	5		(22,547)		(23,153)
Provisions for liabilities - Deferred Tax	1		(3,100)		-
Net assets			104,200		93,726
Capital and reserves					
Profit and loss account			104,200		93,726
Shareholder's funds			104,200		93,726

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

H Spooner

Director

Approved by the board on 16 July 2019

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The accounts are in respect of the year ended 31 March 2019 with comparative figures for the year to 31 March 2018 treating the company as a going concern.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Donations and Fees

The balance of donations and fees over expenditure is carried forward in a donations fund representing initial monies accumulated towards the premium costs of the premises.

Grant Funding

Grants are credited to Profit and Loss Account over the respective periods of depreciation applied to the Tangible Fixed Assets they have financed, being Décor, Designs, Refurbishment and lease premium.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Premium on leases	Over the period of 40 years (previously over the lease 125 years)
Refurbishment costs	Over 5 years
Decorating & Designs	Over 10 years

Depreciation is provided on other Tangible Fixed Assets at 20% to 33.3% p.a.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the Profit and Loss Account as they become payable in accordance with the rules of the scheme.

Operating profit	**2019**	**2018**
	£	**£**
This is stated after charging:		
Depreciation of owned fixed assets	2,501	2,284

2 Tangible fixed assets

	Land and buildings	**Plant and machinery etc**	**Total**
	£	**£**	**£**
Cost			
At 1 April 2018	63,223	210,367	273,590
Additions	-	15,286	15,286
At 31 March 2019	63,223	225,653	288,876
Depreciation			
At 1 April 2018	19,943	202,157	222,100
Charge for the year	1,580	921	2,501
At 31 March 2019	21,523	203,078	224,601
Net book value			
At 31 March 2019	41,700	22,575	64,275
At 31 March 2018	43,280	8,210	51,490

Cost of Land & Buildings is the initial premium on the lease.

The company together with the Mechanics Centre Museum of Labour and Trades' Union History Trust Limited has authorised and contracted for capital expenditure of £Nil (2018 £Nil).

3	Debtors	2019	2018
		£	£
	Trade debtors	42,903	33,338
	Other debtors	2,063	2,307
		44,966	35,645

4	Creditors: amounts falling due within one year	2019	2018
		£	£
	Trade creditors	16,174	17,302
	Amounts owed to group undertakings and undertakings in which the company has a participating interest - "The Trust" (note 7)	28,013	20,053
	Other taxes and social security costs	4,717	2,244
	Other creditors	25,527	16,672
		74,431	56,271

5	Creditors: amounts falling due after one year	2019	2018
		£	£
	Donations Fund	22,547	23,153
	Balance brought forward	23,153	23,759
	Credit to Profit and Loss Account	(606)	(606)
	Balance carried forward	22,547	23,153

6 Future commitments

The company has entered into a lease with the Mechanics Centre Museum of Labour and Trades' Union History Trust - "The Trust" a registered Charity holding a similar lease from Manchester City Council. The term is 125 years at a peppercorn rent from 1989. The companies also pay ongoing service and maintenance charges for the building and common parts to Manchester City Council in total £25,557 (2018 £32,420) with Mechanics Centre share based upon the services utilised by it - presently 80%.(2018 80%).

Manchester City Council has notified additional service charge cost of £557 for 2018/19 and no other provision has been made if further arrears arise.

7 Related party transactions

The company has made a gross covenant under Gift Aid to the Mechanics Centre Museum of Labour and Trades' Union History Trust Limited - "The Trust" of £34,781 (2018 £22,600). Other related party transactions are shown in notes 2, 4 and 6. It is also noted that Directors represent Trade Unions who use the Company's conference facilities. The charges made to the Trade Unions are on a commercial basis. The room rental turnover to Trade Unions amounts to £ 24,332 (2018 £26,673). The amount owed to The Trust due to recharges of

insurance, rates and water charged initially to The Trust amounts to £28,013 (2018 £20,053).
The amount owed by The Trust to the "Centre" is £Nil (2018 £Nil).

Directors' and Secretary's remuneration - recharged from Mechanics Centre Museum of Labour and Trades' Union History Trust to the Centre amounts to £Nil (2018 £Nil).

8 Ultimate controlling party

There is no ultimate controlling party.

9 Pension Fund

The company is a member of the Greater Manchester Pension Fund. One employee is a contributing member.

Hymans Robertson LLP carried out an actuarial valuation at 31/03/2016. The report shows overall funding level of 93% compared to 91% at 31/03/2013.

Key assumptions are:

	Nominal %	Real vs. CPI %
Investment returns	4.2%	2.0%
Price inflation	3.2%	-1.0%
Salary increases	2.9%	-0.25%

Previous employer contribution rates were:

2014/15	18.1%
2015/16	19.9%
2016/17	21.6%

Future minimum contribution rates are:

2017/18 Current	21.6%
2018/19	23.0%
2019/20	24.4%

These are intended to maintain the solvency of the fund.

We have no further details since 31/03/2016, other than paying the above contributions.

10 Other information

Mechanics Centre Limited is a private company limited by shares and incorporated in England.
Its registered office is: 103 Princess Street, MANCHESTER M1 6DD