

Company Registration No. 02605184 (England and Wales)

STIRCHLEY MACHINE TOOLS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
PAGES FOR FILING WITH REGISTRAR

STIRCHLEY MACHINE TOOLS LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 5

STIRCHLEY MACHINE TOOLS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Stocks		175,192		100,406	
Debtors	4	486,549		436,207	
Cash at bank and in hand		287,796		250,050	
		<u>949,537</u>		<u>786,663</u>	
Creditors: amounts falling due within one year	5	<u>(448,644)</u>		<u>(336,370)</u>	
Net current assets			500,893		450,293
			<u><u>500,893</u></u>		<u><u>450,293</u></u>
Capital and reserves					
Called up share capital	6		2		2
Profit and loss reserves			500,891		450,291
			<u>500,891</u>		<u>450,291</u>
Total equity			<u><u>500,893</u></u>		<u><u>450,293</u></u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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 and signed by the director and authorised for issue on 30 November 2018

Mr M P Cottrill

Director

Company Registration No. 02605184

STIRCHLEY MACHINE TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Stirchley Machine Tools Limited is a private company limited by shares incorporated in England and Wales. The registered office is 401-407 Tyburn Road, Erdington, Birmingham, B24 8HJ.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is the total amount excluding valued added tax, receivable by the company in the ordinary course of business for goods supplied and services provided as a principal.

1.4 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:

Fixtures, fittings and equipment	25% straight line
----------------------------------	-------------------

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.

1.5 Impairment of fixed assets

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

STIRCHLEY MACHINE TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Short term trade and other debtors are measured at transaction price, less any impairment.

Basic financial liabilities

Short term trade creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

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.

STIRCHLEY MACHINE TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2017 - 1).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2017 and 31 March 2018	2,829
Depreciation and impairment	
At 1 April 2017 and 31 March 2018	2,829
Carrying amount	
At 31 March 2018	-
At 31 March 2017	-

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	49,345	25,530
Other debtors	437,204	410,677
	486,549	436,207

STIRCHLEY MACHINE TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	111,071	2,164
Corporation tax	13,214	6,875
Other taxation and social security	-	6,245
Other creditors	324,359	321,086
	<u>448,644</u>	<u>336,370</u>

Included within other creditors is £279,222 (2017 - £274,222) secured by way of a debenture dated 29 April 2005 incorporating fixed and floating charges over the assets of the company.

6 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

7 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
Total commitment	7,932	-

8 Related party transactions

Included within other creditors at 31 March 2018 is an amount of £279,222 (2017 - £274,222) due to Mr M P Cottrill, director.

Mr M P Cottrill, director, is also a director and shareholder of a number of related companies with which Stirchley Machine Tools Limited have traded with during the year. Included within other debtors at 31 March 2018 is a loan of £400,000 (2017 - £400,000) provided to a related company. The loan is interest free and has no set repayment date.

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.