

**REGISTERED NUMBER: 03169472 (England and Wales)**

Unaudited Financial Statements for the Year Ended 31 December 2016

for

Bromsgrove Winding Services Limited

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for the Year Ended 31 December 2016

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Bromsgrove Winding Services Limited

Company Information  
for the Year Ended 31 December 2016

**DIRECTORS:**

C W Hall  
Dr A Malpittas

**REGISTERED OFFICE:**

Unit A, B & C Sugarbrook  
Buntsford Park Road  
Bromsgrove  
Worcestershire  
B60 3DX

**REGISTERED NUMBER:**

03169472 (England and Wales)

**ACCOUNTANTS:**

Kenneth Morris Limited  
1 Aston Court  
Bromsgrove Technology Park  
Bromsgrove  
Worcestershire  
B60 3AL

Abridged Balance Sheet  
31 December 2016

|  | Notes | 31.12.16<br>£    | £                     | 31.12.15<br>£    | £                     |
|--|-------|------------------|-----------------------|------------------|-----------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                       |                  |                       |
| Intangible assets                            | 4     |                  | -                     |                  | -                     |
| Tangible assets                              | 5     |                  | <u>720,134</u>        |                  | <u>752,262</u>        |
|  |       |                  | 720,134               |                  | 752,262               |
| <b>CURRENT ASSETS</b>                        |       |                  |                       |                  |                       |
| Stocks                                       |       | 581,592          |                       | 683,224          |                       |
| Debtors                                      |       | 397,160          |                       | 927,470          |                       |
| Cash at bank                                 |       | <u>35,516</u>    |                       | <u>34,459</u>    |                       |
|  |       | 1,014,268        |                       | 1,645,153        |                       |
| <b>CREDITORS</b>                             |       |                  |                       |                  |                       |
| Amounts falling due within one year          |       | <u>1,017,149</u> |                       | <u>1,715,170</u> |                       |
| <b>NET CURRENT LIABILITIES</b>               |       |                  | <u>(2,881)</u>        |                  | <u>(70,017)</u>       |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | 717,253               |                  | 682,245               |
| <b>CREDITORS</b>                             |       |                  |                       |                  |                       |
| Amounts falling due after more than one year | 6     |                  | (432,027)             |                  | (244,235)             |
| <b>PROVISIONS FOR LIABILITIES</b>            |       |                  | (53,336)              |                  | (59,221)              |
| <b>ACCRUALS AND DEFERRED INCOME</b>          |       |                  | <u>(76,800)</u>       |                  | <u>(78,400)</u>       |
| <b>NET ASSETS</b>                            |       |                  | <u><u>155,090</u></u> |                  | <u><u>300,389</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                       |                  |                       |
| Called up share capital                      |       |                  | 4                     |                  | 4                     |
| Fair value reserve                           | 8     |                  | 170,068               |                  | 180,752               |
| Retained earnings                            |       |                  | <u>(14,982)</u>       |                  | <u>119,633</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <u><u>155,090</u></u> |                  | <u><u>300,389</u></u> |

Abridged Balance Sheet - continued  
31 December 2016

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) 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.
- (b)

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.

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 31 December 2016 in accordance with Section 444(2A) of the Companies Act 2006.

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 15 August 2017 and were signed on its behalf by:

Dr A Malpittas - Director

C W Hall - Director

Notes to the Financial Statements  
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Bromsgrove Winding Services 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 as modified by the revaluation of certain assets.

Although the company's net balance sheet is solvent due to the revaluation reserve, the company is reliant on the continued support of its bankers to meet its day to day working capital requirements.

**Turnover**

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

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 1999, is being amortised evenly over its estimated useful life of five years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

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

|                       |                           |
|-----------------------|---------------------------|
| Freehold property     | - 2% on cost              |
| Plant and machinery   | - 20% on reducing balance |
| Fixtures and fittings | - 20% on reducing balance |

**Stocks**

Inventories have been valued at the lower of cost and estimated selling price less costs to sell, after making due allowances for obsolete and slow moving items. Cost includes any expenditure incurred in bringing the stock to its present location and condition.

Finished goods include a relevant proportion of overheads according to the stage of manufacture/completion.

Work in progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

**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.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

**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.

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances at the year-end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**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.

**Debtors**

Debtors include the contractual value of work in progress.

Factored debts are included on the balance sheet within debtors. The proceeds received from the factor are included as secured liabilities. Factoring charges are recognised as they accrue and included within interest payable and similar charges.

**Fair value reserve**

In accordance with Financial Reporting Standard 102 Section 1a, the company's former revaluation reserve for property and plant is included at fair value and gains are recognised in the income statement. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold. Depreciation is provided on plant and the fair value reserve adjusted accordingly. No depreciation is provided on freehold property, which is a departure from the Companies Act 2006, but is required to provide a true and fair view. The directors undertake an annual review of valuations and seek independent professional valuations once every 3 years.

**Capital grants**

In 2014 the company received a grant from the Regional Growth Fund for £80,000 towards the cost of a new freehold property. The company has shown the asset gross and the grant as deferred income. The grant will be released to the profit and loss account to match depreciation from 2015 onwards and written off over the property's estimated useful life. The rate is 2% straight line.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 33 .

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

4. **INTANGIBLE FIXED ASSETS**

|                       | Totals<br>£   |
|-----------------------|---------------|
| <b>COST</b>           |               |
| At 1 January 2016     |               |
| and 31 December 2016  | <u>14,200</u> |
| <b>AMORTISATION</b>   |               |
| At 1 January 2016     |               |
| and 31 December 2016  | <u>14,200</u> |
| <b>NET BOOK VALUE</b> |               |
| At 31 December 2016   | <u>-</u>      |
| At 31 December 2015   | <u>-</u>      |

5. **TANGIBLE FIXED ASSETS**

|                          | Totals<br>£    |
|--------------------------|----------------|
| <b>COST OR VALUATION</b> |                |
| At 1 January 2016        | 921,247        |
| Additions                | <u>3,908</u>   |
| At 31 December 2016      | <u>925,155</u> |
| <b>DEPRECIATION</b>      |                |
| At 1 January 2016        | 168,985        |
| Charge for year          | <u>36,036</u>  |
| At 31 December 2016      | <u>205,021</u> |
| <b>NET BOOK VALUE</b>    |                |
| At 31 December 2016      | <u>720,134</u> |
| At 31 December 2015      | <u>752,262</u> |

Cost or valuation at 31 December 2016 is represented by:

|                   | Totals<br>£    |
|-------------------|----------------|
| Valuation in 2015 | 223,151        |
| Cost              | <u>702,004</u> |
|                   | <u>925,155</u> |

If freehold property had not been revalued it would have been included at the following historical cost:

|      | 31.12.16<br>£  | 31.12.15<br>£  |
|------|----------------|----------------|
| Cost | <u>442,799</u> | <u>442,799</u> |

Freehold land and buildings were valued on an open market basis on 2 September 2015 by J Truslove Commercial Property Surveyors



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

5. **TANGIBLE FIXED ASSETS - continued**

The plant and machinery was revalued by the directors at 31/12/2015.

6. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN FIVE YEARS**

|                          | 31.12.16<br>£  | 31.12.15<br>£  |
|--------------------------|----------------|----------------|
| Repayable by instalments |                |                |
| Mortgage 5+ years        | <u>287,400</u> | <u>181,835</u> |

7. **SECURED DEBTS**

The following secured debts are included within creditors:

|                     | 31.12.16<br>£  | 31.12.15<br>£    |
|---------------------|----------------|------------------|
| Bank overdraft      | -              | 148,751          |
| Bank loans          | 506,164        | 259,835          |
| Invoice discounting | <u>182,656</u> | <u>779,806</u>   |
|                     | <u>688,820</u> | <u>1,188,392</u> |

HSBC bank plc hold a legal mortgage over the freehold property Units B&C, Sugarbrook Business Park, Buntsford Park Road, Bromsgrove dated 16 August 2016.

8. **RESERVES**

|                         | Fair<br>value<br>reserve<br>£ |
|-------------------------|-------------------------------|
| At 1 January 2016       | 180,752                       |
| Depreciation adjustment | <u>(10,684)</u>               |
| At 31 December 2016     | <u>170,068</u>                |

9. **CONTINGENT LIABILITIES**

There were no material contingent liabilities at the year end.

10. **POST BALANCE SHEET EVENTS**

On 2 February 2017 Mr A R Ricketts sold his shares to Dr A Malpittas which changes the control of the company and strengthens the funding outlook of the company.

11. **FIRST YEAR ADOPTION**

The year ended 31 December 2016 is the first year of adoption under FRS 102 Section 1A which is also to be applied to the prior year opening balances. A reconciliation of equity and a reconciliation of profit or loss has been noted within the notes to the financial statements detailing the transitional adjustments required in the financial statements from UK GAAP to FRS 102 Section 1A as at the transition date.

Chartered Accountants' Report to the Board of Directors  
on the Unaudited Financial Statements of  
Bromsgrove Winding Services Limited

**The following reproduces the text of the report prepared for the directors and members in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Abridged Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Bromsgrove Winding Services Limited for the year ended 31 December 2016 which comprise the Abridged Income Statement, Abridged Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Bromsgrove Winding Services Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Bromsgrove Winding Services Limited and state those matters that we have agreed to state to the Board of Directors of Bromsgrove Winding Services Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bromsgrove Winding Services Limited Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Bromsgrove Winding Services Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Bromsgrove Winding Services Limited. You consider that Bromsgrove Winding Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Bromsgrove Winding Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kenneth Morris Limited  
1 Aston Court  
Bromsgrove Technology Park  
Bromsgrove  
Worcestershire  
B60 3AL

15 August 2017

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.