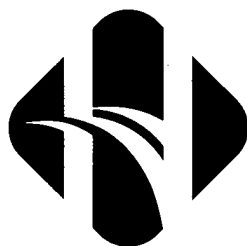


Registration number: 03169472

# Bromsgrove Winding Services Limited

Financial Statements

for the Year Ended 31 May 2022



# Hawsons

# Bromsgrove Winding Services Limited

(Registration number: 03169472)

## Balance Sheet as at 31 May 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	3	561,435	582,008
<b>Current assets</b>			
Debtors	4	89,436	27,753
Cash at bank and in hand		<u>11,258</u>	<u>1,321</u>
		100,694	29,074
<b>Creditors: Amounts falling due within one year</b>	5	<u>(2,408,945)</u>	<u>(2,356,298)</u>
<b>Net current liabilities</b>		<u>(2,308,251)</u>	<u>(2,327,224)</u>
<b>Total assets less current liabilities</b>		(1,746,816)	(1,745,216)
<b>Creditors: Amounts falling due after more than one year</b>	5	<u>(67,200)</u>	<u>(68,800)</u>
<b>Net liabilities</b>		<u><u>(1,814,016)</u></u>	<u><u>(1,814,016)</u></u>
<b>Capital and reserves</b>			
Called up share capital		4	4
Revaluation reserve		113,546	124,578
Profit and loss account		<u>(1,927,566)</u>	<u>(1,938,598)</u>
Shareholders' deficit		<u><u>(1,814,016)</u></u>	<u><u>(1,814,016)</u></u>

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Director's Report and the Statement of Comprehensive Income has been taken.

### Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 26 May 2023 was Craig Burton, who signed for and on behalf of Hawsons Chartered Accountants.

These financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the director on 26 May 2023



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A Mardapittas  
Director

# **Bromsgrove Winding Services Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2022**

### **1 Accounting policies**

#### **Statutory information**

Bromsgrove Winding Services Limited is a private company, limited by shares, domiciled in England and Wales, company number 03169472. The registered office is at Unit A, B and C Sugarbrook, Buntsford Park Road, Bromsgrove, B60 3DX.

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The presentation currency is United Kingdom pounds sterling, which is the functional currency of the company. The financial statements are those of an individual entity.

#### **Summary of disclosure exemptions**

The company is a wholly owned subsidiary of EMSC Global Limited and has taken advantage of the exemption under FRS102 section 33.1A not to disclose transactions with wholly owned members of the group.

#### **Going concern**

After due consideration of all relevant factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **Key sources of estimation uncertainty**

Tangible fixed assets are depreciated over their useful lives taking into account residuals values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The directors have assessed the value of properties and fixed assets held by the entity for impairment, the directors deem it appropriate to continue to hold the properties and fixed assets at current carrying value, with no evidence of impairment being noted. The previous valuation was undertaken by an independent party using a yield methodology using the market rental values capitalised at a market capitalisation rate, but there is an inevitable degree of judgement involved in that each property is unique and value can only be reliably tested in the market itself. At the year end, the directors deem there to be no material movement in fair value of the asset held.

# **Bromsgrove Winding Services Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2022 (continued)**

### **1 Accounting policies (continued)**

#### **Revenue recognition**

Revenue represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

The company recognises revenue when the installation of goods is complete. Where no installation takes place, revenue is recognised when the goods are delivered to customers.

Amounts invoiced for which the revenue recognition criteria have yet to be satisfied are held within creditors and released to revenue in the period when the above revenue recognition criteria have been met.

#### **Government 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 Statement of Comprehensive Income in line with depreciation at a rate of 2% per annum when all terms of the grant have been met.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold property	2% Straight line
Plant, machinery and office equipment	20% Reducing balance

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Comprehensive Income over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## **Bromsgrove Winding Services Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the statement of comprehensive income.

#### **2 Staff numbers**

The average number of persons employed by the company during the year, was 0 (2021 - 0).

## Bromsgrove Winding Services Limited

### Notes to the Financial Statements for the Year Ended 31 May 2022 (continued)

#### 3 Tangible assets

	Land and buildings £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 June 2021	600,182	285,346	885,528
At 31 May 2022	600,182	285,346	885,528
<b>Depreciation</b>			
At 1 June 2021	61,017	242,503	303,520
Charge for the year	12,004	8,569	20,573
At 31 May 2022	73,021	251,072	324,093
<b>Carrying amount</b>			
At 31 May 2022	527,161	34,274	561,435
At 31 May 2021	539,165	42,843	582,008

Included within the net book value of land and buildings above is £527,161 (2021 - £539,165) in respect of freehold land and buildings.

#### Revaluation

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

Had this class of asset been measured on a historical cost basis, the cost would have been £442,981 (2021 - £442,981) and the carrying value would have been £386,991 (2021 - £395,851).

Plant and machinery was revalued on 31 December 2015 by the company's directors.

Had this class of asset been measured on a historical cost basis, the cost would have been £219,396 (2021 - £219,396) and the carrying amount would have been £32,011 (2021 - £32,692).

The directors do not believe there to be any difference between the carrying value and fair value of the revalued assets, having taken appropriate steps to determine the fair value.

The company has applied the transitional arrangements of Section 25 of FRS 102 and used the previous valuation as the deemed cost for these assets. The assets are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to retained earnings.

## Bromsgrove Winding Services Limited

### Notes to the Financial Statements for the Year Ended 31 May 2022 (continued)

#### 4 Debtors

	2022 £	2021 £
Amounts owed by group undertakings	20,000	20,000
Other debtors	69,436	7,753
	<u>89,436</u>	<u>27,753</u>

#### 5 Creditors

	2022 £	2021 £
<b>Due within one year</b>		
Bank loans	259,653	284,821
Trade creditors	1,408	1,514
Amounts owed to group undertakings	2,113,895	2,035,973
Taxation and social security	32,389	32,390
Accruals and deferred income	1,600	1,600
	<u>2,408,945</u>	<u>2,356,298</u>

	2022 £	2021 £
<b>Due after one year</b>		
Deferred income	<u>67,200</u>	<u>68,800</u>

#### Securities and guarantees

Bank loans are secured by a fixed charge over the freehold land and buildings of the company.

HSBC hold a multilateral guarantee in respect to the group of companies including EMSC Global Limited, Bromsgrove Winding Services Limited and EMSC (UK) Limited. Not included in bank borrowings is £4,674,671 (2021 - £3,235,327) in respect to loans held by EMSC (UK) Limited which are secured against the assets of the company.

#### 6 Financial commitments, guarantees and contingencies

##### Operating leases

The future minimum lease payments payable under non-cancellable operating leases total £6,195 (2021 - £17,753).

## **Bromsgrove Winding Services Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2022 (continued)**

#### **7 Parent and ultimate parent undertaking**

The company's immediate and ultimate parent company is EMSC Global Limited, incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that of EMSC Global Limited. These financial statements are available upon request from EMS House Unit 2, 4 Cowley Way, Ecclesfield, Sheffield, S35 1QP