

Company Registration No. 03472302 (England and Wales)

1st Machine Tool Accessories Limited

**Unaudited financial statements
for the year ended 31 December 2016**

Pages for filing with the Registrar



Saffery Champness
CHARTERED ACCOUNTANTS

1st Machine Tool Accessories Limited

Company information

Directors Stuart Murray Threipland
Mark Jones

Secretary Mark Jones

Company number 03472302

Registered office Unit 1 The Headlands
Downton
Salisbury
Wiltshire
SP5 3JJ

Accountants Saffery Champness LLP
Kintail House
Beechwood Park
Inverness
IV2 3BW

Business address Unit 1 The Headlands
Downton
Salisbury
Wiltshire
SP5 3JJ

Bankers Lloyds Bank plc
38 Blue Boar Row
Salisbury
Wiltshire
SP1 1DB

1st Machine Tool Accessories Limited

Balance sheet

As at 31 December 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	3		114,642		95,908
Investments	4		4		4
			<u>114,646</u>		<u>95,912</u>
Current assets					
Stocks		664,731		599,019	
Debtors	5	3,172,966		4,438,352	
Cash at bank and in hand		3,532		52,509	
		<u>3,841,229</u>		<u>5,089,880</u>	
Creditors: amounts falling due within one year	6	(2,862,119)		(4,030,529)	
Net current assets			<u>979,110</u>		<u>1,059,351</u>
Total assets less current liabilities			<u>1,093,756</u>		<u>1,155,263</u>
Creditors: amounts falling due after more than one year	7		(27,834)		(23,874)
Provisions for liabilities			<u>(3,418)</u>		<u>(3,418)</u>
Net assets			<u>1,062,504</u>		<u>1,127,971</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss reserves			<u>1,062,502</u>		<u>1,127,969</u>
Total equity			<u>1,062,504</u>		<u>1,127,971</u>

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

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

1st Machine Tool Accessories Limited

Balance sheet (continued)

As at 31 December 2016

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 by the board of directors and authorised for issue on 14/8/2017 and are signed on its behalf by:



Mark Jones

Director

Company Registration No. 03472302

1st Machine Tool Accessories Limited

**Statement of changes in equity
For the year ended 31 December 2016**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2015	2	945,416	945,418
Year ended 31 December 2015:			
Profit and total comprehensive income for the year	-	182,553	182,553
Balance at 31 December 2015	2	1,127,969	1,127,971
Year ended 31 December 2016:			
Loss and total comprehensive income for the year	-	(65,467)	(65,467)
Balance at 31 December 2016	2	1,062,502	1,062,504

1 Accounting policies

Company information

1st Machine Tool Accessories Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1 The Headlands, Downton, Salisbury, Wiltshire, SP5 3JJ.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of 1st Machine Tool Accessories Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the financial statements (continued)
For the year ended 31 December 2016

1 Accounting policies (continued)

1.3 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:

Leasehold property improvements	5% per annum straight line basis
Fixtures, fittings & equipment	25% per annum straight line basis
Motor vehicles	33% per annum straight line basis

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.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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.

1 Accounting policies (continued)

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 and cash equivalents

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

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

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 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.

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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1st Machine Tool Accessories Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 Accounting policies (continued)

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 15 (2015 - 14).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	55,772	134,052	189,824
Additions	-	50,312	50,312
Disposals	-	(31,796)	(31,796)
At 31 December 2016	55,772	152,568	208,340
Depreciation and impairment			
At 1 January 2016	11,820	82,096	93,916
Depreciation charged in the year	2,789	28,789	31,578
Eliminated in respect of disposals	-	(31,796)	(31,796)
At 31 December 2016	14,609	79,089	93,698
Carrying amount			
At 31 December 2016	41,163	73,479	114,642
At 31 December 2015	43,952	51,956	95,908

4 Fixed asset investments

	2016	2015
	£	£
Investments	4	4

1st Machine Tool Accessories Limited

Notes to the financial statements (continued)
For the year ended 31 December 2016

4 Fixed asset investments (continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2016 & 31 December 2016	4
Carrying amount	
At 31 December 2016	4
At 31 December 2015	4

5 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	819,527	705,896
Corporation tax recoverable	179,797	172,000
Other debtors	2,173,642	3,560,456
	<u>3,172,966</u>	<u>4,438,352</u>

6 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	597,222	586,359
Trade creditors	738,746	576,947
Corporation tax	-	26,930
Other taxation and social security	91,826	63,540
Other creditors	1,434,325	2,776,753
	<u>2,862,119</u>	<u>4,030,529</u>

Hire purchase contracts are secured by retention of title over assets to which the contract relates.

1st Machine Tool Accessories Limited**Notes to the financial statements (continued)****For the year ended 31 December 2016****7 Creditors: amounts falling due after more than one year**

	2016	2015
	£	£
Other creditors	27,834	23,874

Hire purchase contracts are secured by retention of title over assets to which the contract relates.

8 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
2 ordinary shares of £1 each	2	2

9 Operating lease commitments**Lessee**

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

2016	2015
£	£
18,000	18,000

10 Related party transactions

At 31 December 2016 the company owed Dunbeath Partnership £555,000 (2015 - £1,984,000 debtor). Stuart Murray Threipland is a partner in Dunbeath Partnership.