

Company Registration No. 03870096 (England and Wales)

**OUTRIGHT ENGINEERING HOLDINGS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# OUTRIGHT ENGINEERING HOLDINGS LIMITED

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## **OUTRIGHT ENGINEERING HOLDINGS LIMITED**

### **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF OUTRIGHT ENGINEERING HOLDINGS LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Outright Engineering Holdings Limited for the year ended 30 September 2020 set out on pages 2 to 8 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 at <https://www.icaew.com/regulation>.

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

It is your duty to ensure that Outright Engineering Holdings 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 Outright Engineering Holdings Limited. You consider that Outright Engineering Holdings 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 Outright Engineering Holdings 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.

**Ellacotts LLP**

29 June 2021

**Chartered Accountants**

Countrywide House  
23 West Bar  
Banbury  
Oxfordshire  
England  
OX16 9SA

# OUTRIGHT ENGINEERING HOLDINGS LIMITED

## BALANCE SHEET AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		265,423		353,895
<b>Current assets</b>					
Debtors	5	166,027		204,194	
Cash at bank and in hand		138,213		139,340	
		<u>304,240</u>		<u>343,534</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(113,037)</u>		<u>(98,402)</u>	
<b>Net current assets</b>			191,203		245,132
<b>Total assets less current liabilities</b>			<u>456,626</u>		<u>599,027</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(107,586)		(146,334)
<b>Provisions for liabilities</b>	8		<u>(22,319)</u>		<u>(21,676)</u>
<b>Net assets</b>			<u><u>326,721</u></u>		<u><u>431,017</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		5,500		5,500
Profit and loss reserves			<u>321,221</u>		<u>425,517</u>
<b>Total equity</b>			<u><u>326,721</u></u>		<u><u>431,017</u></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 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their 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.

# **OUTRIGHT ENGINEERING HOLDINGS LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 30 SEPTEMBER 2020**

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The financial statements were approved by the board of directors and authorised for issue on 28 June 2021 and are signed on its behalf by:

Mr M I Long

**Director**

**Company Registration No. 03870096**

# OUTRIGHT ENGINEERING HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

#### Company information

Outright Engineering Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8-9 Lower Cherwell Street, Banbury, Oxfordshire, United Kingdom, OX16 8AY.

#### 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.

#### 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.

#### 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:

Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance

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 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.

#### 1.5 Financial instruments

##### *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.

# OUTRIGHT ENGINEERING HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 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.

### 1.6 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.

#### **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.

### 1.7 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.8 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.

# OUTRIGHT ENGINEERING HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 1 Accounting policies (Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	10	10

### 3 Taxation

	2020 £	2019 £
<b>Current tax</b>		
Adjustments in respect of prior periods	(1,951)	(8,612)
<b>Deferred tax</b>		
Origination and reversal of timing differences	643	(3,604)
Total deferred tax	643	(3,604)
Total tax credit	(1,308)	(12,216)

### 4 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 October 2019 and 30 September 2020	1,200,845	12,540	10,088	1,223,473
<b>Depreciation and impairment</b>				
At 1 October 2019	849,947	10,575	9,056	869,578
Depreciation charged in the year	87,724	491	257	88,472
At 30 September 2020	937,671	11,066	9,313	958,050
<b>Carrying amount</b>				
At 30 September 2020	263,174	1,474	775	265,423
At 30 September 2019	350,898	1,965	1,032	353,895



# OUTRIGHT ENGINEERING HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

<b>5 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	1,951	8,612
Amounts owed by group undertakings	115,798	166,336
Other debtors	48,278	29,246
	<u>166,027</u>	<u>204,194</u>
	<u><u>166,027</u></u>	<u><u>204,194</u></u>
 <b>6 Creditors: amounts falling due within one year</b>	 <b>2020</b>	 <b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	31,683	35,160
Taxation and social security	1,231	5,778
Other creditors	80,123	57,464
	<u>113,037</u>	<u>98,402</u>
	<u><u>113,037</u></u>	<u><u>98,402</u></u>
 <b>7 Creditors: amounts falling due after more than one year</b>	 <b>2020</b>	 <b>2019</b>
	<b>£</b>	<b>£</b>
Other creditors	107,586	146,334
	<u>107,586</u>	<u>146,334</u>
	<u><u>107,586</u></u>	<u><u>146,334</u></u>
 <b>8 Deferred taxation</b>		
The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:		
	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	<u>22,319</u>	<u>21,676</u>
	<u><u>22,319</u></u>	<u><u>21,676</u></u>
 <b>Movements in the year:</b>		<b>2020</b>
		<b>£</b>
Liability at 1 October 2019		21,676
Charge to profit or loss		643
		<u>22,319</u>
Liability at 30 September 2020		<u><u>22,319</u></u>

# OUTRIGHT ENGINEERING HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 9 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary of £1 each	5,500	5,500	5,500	5,500
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 10 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:

	2020 £	2019 £
	8,269	24,810
	<u>          </u>	<u>          </u>

### 11 Group Accounts

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

### 12 Subsidiaries

The company owns 100% of the issued share capital of the companies listed below:

Outright Engineering Fabrication Ltd (dormant)  
Outright Engineering CNC Machining Ltd

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.