

Knowsley Engineering Services Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 30 September 2021

Armstrong Tomkins
26 Thingwall Road
Irby
Wirral
CH61 3UE

Knowsley Engineering Services Ltd

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>10</u>

Knowsley Engineering Services Ltd

Company Information

Director P Davies

**Company
secretary** P Davies

Registered office Unit 6
Peel Road Industrial Estate
West Pimbo
Skelmersdale
Lancs
WN8 9PT

Accountants Armstrong Tomkins
26 Thingwall Road
Irby
Wirral
CH61 3UE

Knowsley Engineering Services Ltd
(Registration number: 5034728)
Balance Sheet as at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	23,800	31,647
Current assets			
Stocks	<u>6</u>	65,380	26,895
Debtors	<u>7</u>	516,373	240,746
Cash at bank and in hand		1,478,058	1,536,423
		2,059,811	1,804,064
Creditors: Amounts falling due within one year	<u>8</u>	(270,861)	(239,447)
Net current assets		1,788,950	1,564,617
Net assets		1,812,750	1,596,264
Capital and reserves			
Called up share capital	<u>9</u>	50	50
Share premium reserve		(300,259)	(300,259)
Profit and loss account		2,112,959	1,896,473
Total equity		1,812,750	1,596,264

For the financial year ending 30 September 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements 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.

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 Profit and Loss Account has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.
Page 2

Knowsley Engineering Services Ltd
(Registration number: 5034728)
Balance Sheet as at 30 September 2021

Approved and authorised by the director on 25 November 2021

.....

P Davies
Director

The notes on pages 4 to 10 form an integral part of these financial statements.
Page 3

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 6

Peel Road Industrial Estate

West Pimbo

Skelmersdale

Lancs

WN8 9PT

These financial statements were authorised for issue by the director on 25 November 2021.

2 Accounting policies

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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position 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:

Asset class	Depreciation method and rate
Plant and machinery	20% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% per annum on cost

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

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.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 8 (2020 - 9).

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 October 2020	576,413	576,413
At 30 September 2021	576,413	576,413
Amortisation		
At 1 October 2020	576,413	576,413
At 30 September 2021	576,413	576,413
Carrying amount		
At 30 September 2021	-	-

5 Tangible assets

	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation			
At 1 October 2020	57,192	40,347	97,539
Disposals	-	(891)	(891)
At 30 September 2021	57,192	39,456	96,648
Depreciation			
At 1 October 2020	30,167	35,725	65,892
Charge for the year	6,755	943	7,698
Eliminated on disposal	-	(742)	(742)
At 30 September 2021	36,922	35,926	72,848
Carrying amount			
At 30 September 2021	20,270	3,530	23,800
At 30 September 2020	27,025	4,622	31,647

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

6 Stocks

	2021 £	2020 £
Work in progress	63,180	23,695
Other inventories	2,200	3,200
	<u>65,380</u>	<u>26,895</u>

7 Debtors

	2021 £	2020 £
Trade debtors	305,313	236,326
Prepayments	2,360	2,360
Other debtors	208,700	2,060
	<u>516,373</u>	<u>240,746</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Trade creditors		90,939	106,814
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>11</u>	979	776
Taxation and social security		148,350	117,887
Accruals and deferred income		7,016	9,407
Other creditors		<u>23,577</u>	<u>4,563</u>
		<u>270,861</u>	<u>239,447</u>

9 Share capital

Allotted, called up and fully paid shares

Knowsley Engineering Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

	2021		2020	
	No.	£	No.	£
Ordinary 'A' shares of £1 each	47	47	47	47
Ordinary 'B' shares of £1 each	1	1	1	1
Ordinary 'C' shares of £1 each	1	1	1	1
Ordinary 'D' shares of £1 each	1	1	1	1
	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>

10 Dividends

Final dividends paid

	2021 £	2020 £
Final dividend of £1,160 (2020 - £1,053) per each Ordinary 'A' shares	54,500	49,500
Final dividend of £54,500 (2020 - £49,500) per each Ordinary 'B' shares	54,500	49,500
Final dividend of £22,144 (2020 - £Nil) per each Ordinary 'C' shares	22,144	-
Final dividend of £Nil per each Ordinary 'D' shares	-	-
	<u>131,144</u>	<u>99,000</u>

11 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

	2021 £	2020 £
Remuneration	<u>9,400</u>	<u>-</u>

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.