

**REGISTERED NUMBER: 05458142 (England and Wales)**

**Tema Engineering Limited**

**Audited Financial Statements for the Year Ended 31 March 2019**

Haines Watts Wales LLP, Statutory Auditors  
7 Neptune Court  
Vanguard Way  
Cardiff  
CF24 5PJ



**Tema Engineering Limited**  
**Company Information**  
**for the Year Ended 31 March 2019**

<b>Directors:</b>	Mr M Donovan Mr K James Mr A Marinos
<b>Registered office:</b>	Coleridge Road Leckwith Industrial Estate Cardiff CF11 8BT
<b>Registered number:</b>	05458142 (England and Wales)
<b>Auditors:</b>	Haines Watts Wales LLP, Statutory Auditors 7 Neptune Court Vanguard Way Cardiff CF24 5PJ

**Balance Sheet**  
**31 March 2019**

	Notes	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	4	-	-
Tangible assets	5	185,533	165,112
		<u>185,533</u>	<u>165,112</u>
<b>Current assets</b>			
Stocks		265,709	93,228
Debtors	6	1,392,963	1,444,065
Cash at bank and in hand		588,176	580,433
		<u>2,246,848</u>	<u>2,117,726</u>
<b>Creditors</b>			
Amounts falling due within one year	7	(1,281,895)	(1,419,351)
<b>Net current assets</b>		<u>964,953</u>	<u>698,375</u>
<b>Total assets less current liabilities</b>		<u>1,150,486</u>	<u>863,487</u>
<b>Creditors</b>			
Amounts falling due after more than one year	8	(45,479)	-
<b>Provisions for liabilities</b>	10	(16,000)	(8,521)
<b>Net assets</b>		<u><u>1,089,007</u></u>	<u><u>854,966</u></u>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Retained earnings	12	1,089,006	854,965
<b>Shareholders' funds</b>		<u><u>1,089,007</u></u>	<u><u>854,966</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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 13/12/2019 and were signed on its behalf by:



.....  
Mr M Donovan - Director

## **Tema Engineering Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2019**

#### **1. Statutory information**

Tema Engineering 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Turnover**

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue represents income recognised in respect of services provided during the period.

##### **Goodwill**

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill is being amortised evenly over its estimated useful life of 1 year.

##### **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 the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- Straight line over the lease term
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

##### **Work in progress and long-term contracts**

Work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

When the outcome of a transaction involving long-term contracts can be estimated reliably, revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Turnover is calculated as the proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

When the outcome of a long-term contract cannot be estimated reliably, revenue has been recognised equal to the costs incurred as it is probable that the costs will be recovered. Recoverable costs are recognised as a debtor on the balance sheet. Full provision is made for losses on contracts in the year in which they are foreseen.

##### **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.

**Tema Engineering Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019**

**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.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

**3. Employees and directors**

The average number of employees during the year was 43 (2018 - 38).

**4. Intangible fixed assets**

	Goodwill £
<b>Cost</b>	
At 1 April 2018	
and 31 March 2019	1
<b>Amortisation</b>	
At 1 April 2018	
and 31 March 2019	1
<b>Net book value</b>	
At 31 March 2019	-
At 31 March 2018	-

**Tema Engineering Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019**

**5. Tangible fixed assets**

	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
<b>Cost</b>				
At 1 April 2018	12,832	477,066	277,632	767,530
Additions	-	2,345	92,636	94,981
Disposals	-	-	(83,820)	(83,820)
At 31 March 2019	12,832	479,411	286,448	770,691
<b>Depreciation</b>				
At 1 April 2018	12,832	419,965	169,621	602,418
Charge for year	-	14,850	33,156	48,006
Eliminated on disposal	-	-	(57,266)	(57,266)
At 31 March 2019	12,832	434,815	145,511	593,158
<b>Net book value</b>				
At 31 March 2019	-	44,596	140,937	185,533
At 31 March 2018	-	57,101	108,011	165,112

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>Cost</b>	
At 1 April 2018	17,046
Additions	82,894
At 31 March 2019	99,940
<b>Depreciation</b>	
At 1 April 2018	8,057
Charge for year	9,155
At 31 March 2019	17,212
<b>Net book value</b>	
At 31 March 2019	82,728
At 31 March 2018	8,989

**6. Debtors: amounts falling due within one year**

	2019 £	2018 £
Trade debtors	473,629	636,819
Amounts owed by group undertakings	283,636	323,350
Amounts recoverable on contract	493,479	160,799
Other debtors	94,986	59,041
Directors' current accounts	-	226,631
Prepayments	47,233	37,425
	<u>1,392,963</u>	<u>1,444,065</u>

**Tema Engineering Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019**

**7. Creditors: amounts falling due within one year**

	2019	2018
	£	£
Hire purchase contracts	25,937	2,717
Trade creditors	721,548	673,464
Tax	21,910	22,350
VAT	18,463	41,504
Other creditors	177,115	339,319
Wages & salaries control	110,638	96,831
Directors' current accounts	3,369	-
Accrued expenses	202,915	243,166
	<u>1,281,895</u>	<u>1,419,351</u>

**8. Creditors: amounts falling due after more than one year**

	2019	2018
	£	£
Hire purchase contracts	<u>45,479</u>	<u>-</u>

**9. Secured debts**

The bank facility is secured by an unlimited Debenture dated 07/07/2009 incorporating a fixed and floating charge.

Hire Purchase creditors are secured against the assets to which they relate.

**10. Provisions for liabilities**

	2019	2018
	£	£
Deferred tax	<u>16,000</u>	<u>8,521</u>
		Deferred tax
		£
Balance at 1 April 2018		8,521
Charge to Statement of Comprehensive Income during year		<u>7,479</u>
Balance at 31 March 2019		<u>16,000</u>

**11. Called up share capital**

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
1	Ordinary Share Capital	£1	<u>1</u>	<u>1</u>

**12. Reserves**

	Retained earnings
	£
At 1 April 2018	854,965
Profit for the year	<u>234,041</u>
At 31 March 2019	<u>1,089,006</u>

**Tema Engineering Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019**

**13. Disclosure under Section 444(5B) of the Companies Act 2006**

The Report of the Auditors was unqualified.

Stephen Lucey (Senior Statutory Auditor)  
for and on behalf of Haines Watts Wales LLP, Statutory Auditors

**14. Directors' advances, credits and guarantees**

The following advances and credits to a director subsisted during the years ended 31 March 2019 and 31 March 2018:

	2019 £	2018 £
<b>Mr M Donovan</b>		
Balance outstanding at start of year	226,631	-
Amounts advanced	55,000	436,931
Amounts repaid	(285,000)	(210,300)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(3,369)</u>	<u>226,631</u>

**15. Related party disclosures**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Companies under common control**

During the year the company made recharges of £522,645 (2018: £326,461). The company also made sales of £79,806 (2018: £nil), purchases of £390,576 (2018: £158,723) and incurred rental costs of £90,000 (2018: £114,000).

	2019 £	2018 £
Amount due to/(from) related party at the balance sheet date	108,154	339,319

**16. Ultimate controlling party**

The ultimate controlling party is Mr M Donovan.

The company is controlled by Penarth Industrial Services Limited who hold 100% of the issued share capital.