

Pennine Mechanical Engineers Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2023

Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

Pennine Mechanical Engineers Ltd

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Pennine Mechanical Engineers Ltd

Company Information

Director Mr C Rawstron

Company secretary Miss S Bowden

Registered office Heatherleigh,
High Lane,
Salterforth, Barnoldswick,
Lancashire.
BB18 5SL

Accountants Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Pennine Mechanical Engineers Ltd
for the Year Ended 31 March 2023**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Pennine Mechanical Engineers Ltd for the year ended 31 March 2023 as set out on pages 3 to 10 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 <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Pennine Mechanical Engineers Ltd, as a body. Our work has been undertaken solely to prepare for your approval the accounts of Pennine Mechanical Engineers Ltd and state those matters that we have agreed to state to the Board of Directors of Pennine Mechanical Engineers Ltd, 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 Pennine Mechanical Engineers Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Pennine Mechanical Engineers Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Pennine Mechanical Engineers Ltd. You consider that Pennine Mechanical Engineers Ltd 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 accounts of Pennine Mechanical Engineers Ltd. 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 accounts.

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Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

8 November 2023

Pennine Mechanical Engineers Ltd

(Registration number: 06495585)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>5</u>	118,324	118,898
Current assets			
Stocks	<u>6</u>	12,885	2,740
Debtors	<u>7</u>	49,101	41,730
Cash at bank and in hand		64,210	122,719
		126,196	167,189
Creditors: Amounts falling due within one year	<u>8</u>	(23,133)	(18,196)
Net current assets		103,063	148,993
Total assets less current liabilities		221,387	267,891
Provisions for liabilities		(17,283)	(17,060)
Net assets		<u>204,104</u>	<u>250,831</u>
Capital and reserves			
Called up share capital		100	100
Retained earnings		204,004	250,731
Shareholders' funds		<u>204,104</u>	<u>250,831</u>

Pennine Mechanical Engineers Ltd

**(Registration number: 06495585)
Balance Sheet as at 31 March 2023**

For the financial year ending 31 March 2023 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.

Approved and authorised by the director on 8 November 2023

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Mr C Rawstron
Director

Pennine Mechanical Engineers Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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:

Heatherleigh,
High Lane,
Salterforth, Barnoldswick,
Lancashire.
BB18 5SL

These financial statements were authorised for issue by the director on 8 November 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Tax

The tax expense for the period comprises current and deferred 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.

Pennine Mechanical Engineers Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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 to reflect their estimated residual values, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance
Fixtures, fittings & equipment	10% to 25% 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	25% straight line

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.

Pennine Mechanical Engineers Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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.

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year was 1 (2022 - 1).

Pennine Mechanical Engineers Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2022	2,000	2,000
At 31 March 2023	2,000	2,000
Amortisation		
At 1 April 2022	2,000	2,000
At 31 March 2023	2,000	2,000
Carrying amount		
At 31 March 2023	-	-

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 April 2022	21,604	178,738	200,342
At 31 March 2023	21,604	178,738	200,342
Depreciation			
At 1 April 2022	16,964	64,480	81,444
Charge for the year	574	-	574
At 31 March 2023	17,538	64,480	82,018
Carrying amount			
At 31 March 2023	4,066	114,258	118,324
At 31 March 2022	4,640	114,258	118,898

Pennine Mechanical Engineers Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

6 Stocks

	2023 £	2022 £
Work in progress	10,200	-
Other inventories	2,685	2,740
	<u>12,885</u>	<u>2,740</u>

7 Debtors

	2023 £	2022 £
Trade debtors	48,281	20,287
Prepayments	820	1,408
Other debtors	-	20,035
	<u>49,101</u>	<u>41,730</u>

8 Creditors

Creditors: amounts falling due within one year

	2023 £	2022 £
Due within one year		
Trade creditors	8,145	4,261
Taxation and social security	6,390	11,884
Accruals and deferred income	2,150	2,051
Other creditors	6,448	-
	<u>23,133</u>	<u>18,196</u>

Pennine Mechanical Engineers Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

9 Related party transactions

Transactions with the director

	At 1 April 2022 £	Advances to director £	Repayments by director £	At 31 March 2023 £
2023				
Mr C Rawstron	(20,015)	(29,336)	56,000	6,649

	At 1 April 2021 £	Advances to director £	Repayments by director £	At 31 March 2022 £
2022				
Mr C Rawstron	(45,284)	(53,922)	79,191	(20,015)

This loan is repayable on demand and unsecured.

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.