

South Lincs Foundry Limited
Unaudited Financial Statements
for the Year Ended 28 February 2021

**Contents of the Financial Statements
for the Year Ended 28 February 2021**

	Page
Company information	1
Chartered accountants' report	2
Statement of financial position	3 to 4
Notes to the financial statements	5 to 9

Director: Mr D Harriman

Registered office: 7 Swan Court
Cygnet Park
Hampton
Peterborough
PE7 8GX

Business address: Spalding Common
Spalding
Lincolnshire
PE11 3AS

Registered number: 06506615 (England and Wales)

Accountants: Moore Thompson
Unit 7, Swan Court
Forder Way
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Peterborough
Cambs
PE7 8GX

**Chartered Accountants' Report to the Director
on the Unaudited Financial Statements of
South Lincs Foundry Limited**

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of financial position. Readers are cautioned that the Income statement and certain other primary statements and the Director's report are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of South Lincs Foundry Limited for the year ended 28 February 2021 which comprise the Statement of income and retained earnings, Statement of financial position and the related notes 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 within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the director of South Lincs Foundry Limited in accordance with the terms of our engagement letter dated 28 November 2018. Our work has been undertaken solely to prepare for your approval the financial statements of South Lincs Foundry Limited and state those matters that we have agreed to state to the director of South Lincs Foundry Limited in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than South Lincs Foundry Limited and its director for our work or for this report.

It is your duty to ensure that South Lincs Foundry 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 profit of South Lincs Foundry Limited. You consider that South Lincs Foundry 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 South Lincs Foundry 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.

Moore Thompson
Unit 7, Swan Court
Forder Way
Hampton
Peterborough
Cambs
PE7 8GX

18 November 2021

Statement of Financial Position
28 February 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	5		55,515		74,021
Tangible assets	6		<u>96,609</u>		<u>84,505</u>
			152,124		158,526
Current assets					
Stocks		67,956		70,442	
Debtors	7	323,231		313,255	
Cash at bank and in hand		<u>66,299</u>		<u>78,479</u>	
		457,486		462,176	
Creditors					
Amounts falling due within one year	8	<u>226,389</u>		<u>396,743</u>	
Net current assets			<u>231,097</u>		<u>65,433</u>
Total assets less current liabilities			383,221		223,959
Creditors					
Amounts falling due after more than one year	9		(47,045)		(5,070)
Provisions for liabilities			<u>(12,809)</u>		<u>(9,292)</u>
Net assets			<u>323,367</u>		<u>209,597</u>
Capital and reserves					
Called up share capital	11		100		100
Fair value reserve	12		4,694		-
Retained earnings			<u>318,573</u>		<u>209,497</u>
Shareholders' funds			<u>323,367</u>		<u>209,597</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Statement of Financial Position - continued
28 February 2021

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 Statement of income and retained earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 18 November 2021 and were signed by:

Mr D Harriman - Director

**Notes to the Financial Statements
for the Year Ended 28 February 2021**

1. Statutory information

South Lincs Foundry 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Statement of compliance

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.

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of ten years.

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 each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Office Equipment	- 33% on reducing balance

Government grants

Accrual model

Grant income received in relation to the Coronavirus Job Retention Scheme (CJRS) is recognised in the accounts on a systematic basis over the period in which the entity recognises the related costs for which the grant is intended to compensate. As such the income from the grant is recognised on a straight line basis over the furlough period for each relevant employee.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2021**

3. Accounting policies - continued

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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 commitments

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.

4. Employees and directors

The average number of employees during the year was 24 (2020 - 25) .

Notes to the Financial Statements - continued
for the Year Ended 28 February 2021

5. Intangible fixed assets

	Goodwill £
Cost	
At 1 March 2020	
and 28 February 2021	185,056
Amortisation	
At 1 March 2020	111,035
Charge for year	18,506
At 28 February 2021	129,541
Net book value	
At 28 February 2021	55,515
At 29 February 2020	74,021

6. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office Equipment £	Totals £
Cost					
At 1 March 2020	227,527	10,455	14,995	6,909	259,886
Additions	37,084	-	-	-	37,084
Disposals	-	-	-	(1,290)	(1,290)
At 28 February 2021	264,611	10,455	14,995	5,619	295,680
Depreciation					
At 1 March 2020	153,091	7,714	10,250	4,326	175,381
Charge for year	22,304	548	1,186	807	24,845
Eliminated on disposal	-	-	-	(1,155)	(1,155)
At 28 February 2021	175,395	8,262	11,436	3,978	199,071
Net book value					
At 28 February 2021	89,216	2,193	3,559	1,641	96,609
At 29 February 2020	74,436	2,741	4,745	2,583	84,505

7. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	312,750	307,140
Other debtors	10,481	6,115
	323,231	313,255

Notes to the Financial Statements - continued
for the Year Ended 28 February 2021

8. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	790	-
Hire purchase contracts	2,584	6,564
Trade creditors	70,653	73,858
Tax	42,830	12,595
Social security and other taxes	7,873	9,873
VAT	32,392	22,648
Other creditors	5,428	1,411
Factoring advances	42,706	251,766
Directors' loan accounts	10,278	4,589
Accruals and deferred income	10,855	13,439
	<u>226,389</u>	<u>396,743</u>

9. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans	44,559	-
Hire purchase contracts	2,486	5,070
	<u>47,045</u>	<u>5,070</u>

10. Secured debts

The following secured debts are included within creditors:

	2021 £	2020 £
Hire purchase contracts	5,070	11,634
Factoring advances	42,706	251,766
	<u>47,776</u>	<u>263,400</u>

Obligations under finance leases and hire purchase contracts are secured on the tangible fixed assets concerned.

Factoring advances at the year end are secured on the company trade debtors.

11. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2021

12. Reserves

	Fair value reserve £
Loan NPV adjustment	4,694
At 28 February 2021	4,694

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.