

**LS ENGINEERING SHROPSHIRE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

LS Engineering Shropshire Limited
Unaudited Financial Statements
For The Year Ended 31 October 2018

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LS Engineering Shropshire Limited
Balance Sheet
As at 31 October 2018

Registered number: 06595577

		2018		2017	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		549,836		417,246
			549,836		417,246
CURRENT ASSETS					
Stocks	5	30,000		15,000	
Debtors	6	427,672		349,627	
Cash at bank and in hand		435,871		329,876	
		893,543		694,503	
Creditors: Amounts Falling Due Within One Year	7	(328,444)		(270,812)	
NET CURRENT ASSETS (LIABILITIES)			565,099		423,691
TOTAL ASSETS LESS CURRENT LIABILITIES			1,114,935		840,937
Creditors: Amounts Falling Due After More Than One Year	8	(215,923)		(23,226)	
PROVISIONS FOR LIABILITIES					
Deferred Taxation			(37,635)		(20,930)
NET ASSETS			861,377		796,781
CAPITAL AND RESERVES					
Called up share capital	9	100		100	
Profit and Loss Account		861,277		796,681	
SHAREHOLDERS' FUNDS			861,377		796,781

LS Engineering Shropshire Limited
Balance Sheet (continued)
As at 31 October 2018

For the year ending 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Lee Smith

15 July 2019

The notes on pages 3 to 7 form part of these financial statements.

LS Engineering Shropshire Limited
Notes to the Financial Statements
For The Year Ended 31 October 2018

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover comprises the invoiced value of goods and services supplied by the company to its customers, net of Value Added Tax and any trade discounts.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

1.3. Intangible Fixed Assets and Amortisation - Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. It has been fully amortised.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold	2% Straight Line
Plant & Machinery	25% Reducing Balance
Motor Vehicles	25% Reducing Balance
Fixtures & Fittings	25 % Reducing Balance

1.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

LS Engineering Shropshire Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2018

1.6. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.7. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows:

	2018	2017
Office and administration	4	4
Sales, marketing and distribution	1	3
Manufacturing	13	12
	<u>18</u>	<u>19</u>

LS Engineering Shropshire Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2018

3. Intangible Assets

	Goodwill
	£
Cost	
As at 1 November 2017	25,000
As at 31 October 2018	25,000
Amortisation	
As at 1 November 2017	25,000
As at 31 October 2018	25,000
Net Book Value	
As at 31 October 2018	-
As at 1 November 2017	-

4. Tangible Assets

	Land & Property				
	Freehold	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£	£
Cost					
As at 1 November 2017	315,888	194,643	65,319	29,694	605,544
Additions	17,217	209,389	15,032	12,186	253,824
Disposals	-	(62,245)	(22,756)	(20,131)	(105,132)
As at 31 October 2018	333,105	341,787	57,595	21,749	754,236
Depreciation					
As at 1 November 2017	14,686	114,368	40,031	19,213	188,298
Provided during the period	6,662	73,722	11,203	5,437	97,024
Disposals	-	(47,548)	(16,552)	(16,822)	(80,922)
As at 31 October 2018	21,348	140,542	34,682	7,828	204,400
Net Book Value					
As at 31 October 2018	311,757	201,245	22,913	13,921	549,836
As at 1 November 2017	301,202	80,275	25,288	10,481	417,246

LS Engineering Shropshire Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2018

5. Stocks

	2018	2017
	£	£
Stock - materials	15,000	5,000
Stock - work in progress	15,000	10,000
	<u>30,000</u>	<u>15,000</u>

6. Debtors

	2018	2017
	£	£
Due within one year		
Trade debtors	257,703	204,489
Prepayments and accrued income	22,585	22,003
Other debtors	25,000	-
Director's loan account	118,992	119,743
Amounts owed by associates	3,392	3,392
	<u>427,672</u>	<u>349,627</u>

7. Creditors: Amounts Falling Due Within One Year

	2018	2017
	£	£
Trade creditors	139,482	98,440
Bank loans and overdrafts	22,932	27,557
Corporation tax	4,618	-
Other taxes and social security	11,637	10,236
VAT	75,461	62,899
Other creditors	3,416	3,639
Accruals and deferred income	70,898	68,041
	<u>328,444</u>	<u>270,812</u>

The bank loan balance is secured by a fixed and floating charge over the company's assets.

8. Creditors: Amounts Falling Due After More Than One Year

	2018	2017
	£	£
Bank loans	<u>215,923</u>	<u>23,226</u>
	<u>215,923</u>	<u>23,226</u>

LS Engineering Shropshire Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2018

9. Share Capital

	2018	2017
Allotted, Called up and fully paid	100	100

10. Pension Commitments

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date unpaid contributions of £Nil (2017: £537) were due to the fund.

11. Directors Advances, Credits and Guarantees

Included within Debtors are the following loans to directors:

	As at 1 November 2017	Amounts advanced	Amounts repaid	Amounts written off	As at 31 October 2018
	£	£	£	£	£
Mr Lee Smith	119,743	118,992	(119,743)	-	118,992

The above loan is unsecured and repayable on demand. Interest of 2.5% has been charged.

12. Related Party Transactions

Included within amounts owed to related parties is a balance of £28,392 (2017: £3,392) owed to companies under common control.

13. General Information

LS Engineering Shropshire Limited is a private company, limited by shares, incorporated in England & Wales, registered number 06595577. The registered office is Unit B1, Halesfield 8, Telford, Shropshire, TF7 4QN.

The financial statements are presented in pound sterling.

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.