

Company Registration No. 06953770 (England and Wales)

A&M Defence & Marine Services Limited

**Unaudited financial statements
for the year ended 30 September 2022**

Pages for filing with the registrar

A&M Defence & Marine Services Limited

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A&M Defence & Marine Services Limited

Statement of financial position

As at 30 September 2022

			2022	2021
	Notes	£	£	£
Fixed assets				
Tangible assets	3		78,625	96,834
Current assets				
Stocks		442,405		331,553
Debtors	4	1,020,977		1,035,156
Cash at bank and in hand		342,569		473,183
		<u>1,805,951</u>		<u>1,839,892</u>
Creditors: amounts falling due within one year	5	<u>(973,564)</u>		<u>(984,262)</u>
Net current assets			<u>832,387</u>	<u>855,630</u>
Total assets less current liabilities			<u>911,012</u>	<u>952,464</u>
Creditors: amounts falling due after more than one year	6		(158,333)	(204,167)
Provisions for liabilities			<u>(15,283)</u>	<u>(18,688)</u>
Net assets			<u><u>737,396</u></u>	<u><u>729,609</u></u>
Capital and reserves				
Called up share capital			1,000	1,000
Profit and loss reserves			<u>736,396</u>	<u>728,609</u>
Total equity			<u><u>737,396</u></u>	<u><u>729,609</u></u>

A&M Defence & Marine Services Limited

Statement of financial position (continued)

As at 30 September 2022

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 September 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 15 March 2023 and are signed on its behalf by:

Jeremy Austin

Director

Company Registration No. 06953770 (England and Wales)

A&M Defence & Marine Services Limited

**Statement of changes in equity
For the year ended 30 September 2022**

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 October 2020	1,000	754,480	755,480
Year ended 30 September 2021:			
Profit and total comprehensive income for the year	-	52,729	52,729
Dividends	-	(78,600)	(78,600)
Balance at 30 September 2021	1,000	728,609	729,609
Year ended 30 September 2022:			
Profit and total comprehensive income for the year	-	82,637	82,637
Dividends	-	(74,850)	(74,850)
Balance at 30 September 2022	1,000	736,396	737,396

A&M Defence & Marine Services Limited

Notes to the financial statements

For the year ended 30 September 2022

1 Accounting policies

Company information

A&M Defence & Marine Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Old Barn Farm Road, Woolsbridge Industrial Estate, Three Legged Cross, Wimborne, BH21 6SP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% straight line / 25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

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

1 Accounting policies (continued)

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1 Accounting policies (continued)

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Total	70	70
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A&M Defence & Marine Services Limited

Notes to the financial statements (continued)

For the year ended 30 September 2022

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 October 2021	328,807
Additions	1,289
Disposals	(10,000)
	<hr/>
At 30 September 2022	320,096
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Depreciation and impairment	
At 1 October 2021	231,973
Depreciation charged in the year	15,982
Eliminated in respect of disposals	(6,484)
	<hr/>
At 30 September 2022	241,471
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Carrying amount	
At 30 September 2022	78,625
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At 30 September 2021	96,834
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4 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	940,345	953,830
Other debtors	80,632	81,326
	<hr/>	<hr/>
	1,020,977	1,035,156
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A&M Defence & Marine Services Limited

Notes to the financial statements (continued)

For the year ended 30 September 2022

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	50,000	45,833
Trade creditors	439,472	316,478
Corporation tax	22,503	20,477
Other taxation and social security	101,195	143,340
Other creditors	360,394	458,134
	<u>973,564</u>	<u>984,262</u>

6 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	158,333	204,167
	<u>158,333</u>	<u>204,167</u>

A Coronavirus Business Interruption Loan (CBIL) of £250,000 was received in the prior year on a floating interest rate basis and is repayable in 60 monthly instalments. The loan includes an initial capital repayment holiday of 12 months and includes a guarantee from the UK government.

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	355,468	507,296
	<u>355,468</u>	<u>507,296</u>

8 Parent company

The ultimate parent company is Austin & Mclean Group Limited, a company registered in England and Wales. Austin & Mclean Group Limited owns 100% of the ordinary share capital of the company. The registered office address of Austin & Mclean Group Limited is 3 Old Barn Farm Road, Woolsbridge Industrial Estate, Three Legged Cross, Wimborne, Dorset, BH21 6SP.

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.