

MM ENGINEERED SOLUTIONS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2023

Bevan Buckland LLP
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

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FOR THE YEAR ENDED 30 APRIL 2023**

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MM ENGINEERED SOLUTIONS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2023**

DIRECTORS:

M N McDermid
C D McDermid
J Morton

REGISTERED OFFICE:

Unit 4b
Sirius Drive
Rutherglen Centre
Port Talbot
SA12 7BR

REGISTERED NUMBER:

10148554 (England and Wales)

ACCOUNTANTS:

Bevan Buckland LLP
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

BALANCE SHEET
30 APRIL 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4		338,206		368,877
CURRENT ASSETS					
Stocks		51,767		139,784	
Debtors	5	892,404		838,396	
Cash at bank		<u>498,260</u>		<u>149,483</u>	
		1,442,431		1,127,663	
CREDITORS					
Amounts falling due within one year	6	<u>1,067,597</u>		<u>852,366</u>	
NET CURRENT ASSETS			<u>374,834</u>		<u>275,297</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			713,040		644,174
CREDITORS					
Amounts falling due after more than one year	7		(212,022)		(327,621)
PROVISIONS FOR LIABILITIES			<u>(30,573)</u>		<u>-</u>
NET ASSETS			<u>470,445</u>		<u>316,553</u>
CAPITAL AND RESERVES					
Called up share capital			3		3
Retained earnings			<u>470,442</u>		<u>316,550</u>
			<u>470,445</u>		<u>316,553</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

BALANCE SHEET - continued
30 APRIL 2023

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 Board of Directors and authorised for issue on 9 November 2023 and were signed on its behalf by:

C D McDermid - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

1. STATUTORY INFORMATION

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

Tangible fixed assets

Tangible assets are depreciated over their useful economic life.

Land & Buildings depreciation rates are split between existing and new improvements which results in the plant & machinery held on this site having a reduced depreciation policy than the existing Plant & machinery.

Land & Buildings - 20% Straight Line
Land & Buildings - 10% Straight Line
Plant & Machinery - 20% Straight Line
Plant & Machinery - 12.5% Straight Line
Fixtures & Fittings - 50% Straight Line
Office Equipment - 33% Straight Line
Computer Equipment - 50% Straight Line

Stocks

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

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 balance sheet date.

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

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2023

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Cash at bank and in hand 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.

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 balance sheet 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 and cash and bank balances, 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2023

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 23 (2022 - 22) .

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 May 2022	204,467	318,081	522,548
Additions	39,076	8,629	47,705
At 30 April 2023	<u>243,543</u>	<u>326,710</u>	<u>570,253</u>
DEPRECIATION			
At 1 May 2022	45,862	107,809	153,671
Charge for year	28,844	49,532	78,376
At 30 April 2023	<u>74,706</u>	<u>157,341</u>	<u>232,047</u>
NET BOOK VALUE			
At 30 April 2023	<u>168,837</u>	<u>169,369</u>	<u>338,206</u>
At 30 April 2022	<u>158,605</u>	<u>210,272</u>	<u>368,877</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	814,991	739,620
Other debtors	77,413	98,776
	<u>892,404</u>	<u>838,396</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Hire purchase contracts	5,582	4,974
Trade creditors	483,642	499,934
Taxation and social security	28,031	3,503
Other creditors	550,342	343,955
	<u>1,067,597</u>	<u>852,366</u>

Included in other creditors is the amount of £48,833 (2022: £46,767) which is due to the Development Bank of Wales.

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Hire purchase contracts	5,652	11,234
Other creditors	206,370	316,387
	<u>212,022</u>	<u>327,621</u>

Included in other creditors is the amount of £185,536 (2022: £234,369) which is due to the Development Bank of Wales.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2023

8. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Other Loans	<u>234,369</u>	<u>325,000</u>

Within Other loans is a secured debt of £198,822 (2022: £234,045) to Development Bank Wales holding the following security;

-Guarantee from Christopher McDermid for £20,000 plus interest, costs & expenses.

-Guarantee from Martin McDermid for £20,000 plus interest, costs & expenses.

-Guarantee from James Morton for £20,000 plus interest, costs & expenses.

Within Other loans is a secured debt of £35,547 (2022 - £47,090) to Development Bank Wales holding the following security;

-Guarantee from Christopher McDermid for £12,500 plus interest, costs & expenses.

-Guarantee from Martin McDermid for £12,500 plus interest, costs & expenses.

-Guarantee from James Morton for £12,500 plus interest, costs & expenses.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
MM ENGINEERED SOLUTIONS LIMITED**

The following reproduces the text of the report prepared for the directors 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 Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors 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 Mm Engineered Solutions Limited for the year ended 30 April 2023 which comprise the Statement of Income and Retained Earnings, Balance Sheet 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 Board of Directors of Mm Engineered Solutions Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Mm Engineered Solutions Limited and state those matters that we have agreed to state to the Board of Directors of Mm Engineered Solutions Limited, as a body, 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 Mm Engineered Solutions Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Mm Engineered Solutions 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 Mm Engineered Solutions Limited. You consider that Mm Engineered Solutions 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 Mm Engineered Solutions 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.

Bevan Buckland LLP
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SA7 9LA

9 November 2023

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.