

REGISTERED NUMBER: 02492970 (England and Wales)

Engineering Control Supplies Limited
Financial Statements
for the Year Ended 31 July 2018

Engineering Control Supplies Limited (Registered number: 02492970)

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for the year ended 31 July 2018**

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Engineering Control Supplies Limited

Company Information
for the year ended 31 July 2018

DIRECTORS: R Jones
K Perrin

SECRETARY: Mrs E Jones

REGISTERED OFFICE: Roman Hill Trading Estate
Broadmayne
Dorchester
Dorset
DT2 8LY

REGISTERED NUMBER: 02492970 (England and Wales)

ACCOUNTANTS: Read Woodruff
Chartered Accountants
24 Cornwall Road
Dorchester
Dorset
DT1 1RX

BANKERS: HSBC Bank plc
15 Cornhill
Dorchester
Dorset
DT1 1BJ

Engineering Control Supplies Limited (Registered number: 02492970)

Statement of Financial Position 31 July 2018

		2018		2017	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	4		41,410		53,530
Property, plant and equipment	5		1,388,431		1,482,208
Investments	6		<u>15,075</u>		<u>15,075</u>
			1,444,916		1,550,813
CURRENT ASSETS					
Inventories		176,141		61,935	
Debtors	7	<u>311,120</u>		383,577	
Cash at bank and in hand		<u>102,397</u>		<u>171,766</u>	
		589,658		617,278	
CREDITORS					
Amounts falling due within one year	8	<u>574,645</u>		<u>548,396</u>	
NET CURRENT ASSETS			15,013		68,882
TOTAL ASSETS LESS CURRENT LIABILITIES			1,459,929		1,619,695
CREDITORS					
Amounts falling due after more than one year	9		(321,176)		(442,090)
PROVISIONS FOR LIABILITIES			(90,927)		(101,191)
NET ASSETS			1,047,826		1,076,414
CAPITAL AND RESERVES					
Called up share capital			154		154
Capital redemption reserve			288		288
Retained earnings			<u>1,047,384</u>		<u>1,075,972</u>
SHAREHOLDERS' FUNDS			1,047,826		1,076,414

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2018 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 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.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 30 April 2019 and were signed on its behalf by:

R Jones - Director

Engineering Control Supplies Limited (Registered number: 02492970)

Notes to the Financial Statements for the year ended 31 July 2018

1. STATUTORY INFORMATION

Engineering Control Supplies 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Revenue 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 2002, is being amortised evenly over its estimated useful life of twenty 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.

Patents and licences are being amortised evenly over their estimated useful life of nil years.

Patents and licences

Amortisation was provided at 10% on cost per annum in order to write off patents and licences over their estimated useful life.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

The directors consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation charge for the year is nil. The directors perform annual impairment reviews to ensure that the recoverable amount is not lower than the carrying value.

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing inventories to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

Engineering Control Supplies Limited (Registered number: 02492970)

Notes to the Financial Statements - continued for the year ended 31 July 2018

2. ACCOUNTING POLICIES - continued

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 25 (2017 - 30) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Patents and licences £	Totals £
COST			
At 1 August 2017 and 31 July 2018	<u>242,400</u>	<u>6,778</u>	<u>249,178</u>
AMORTISATION			
At 1 August 2017	188,870	6,778	195,648
Amortisation for year	<u>12,120</u>	-	<u>12,120</u>
At 31 July 2018	<u>200,990</u>	<u>6,778</u>	<u>207,768</u>
NET BOOK VALUE			
At 31 July 2018	<u>41,410</u>	-	<u>41,410</u>
At 31 July 2017	<u>53,530</u>	-	<u>53,530</u>

Engineering Control Supplies Limited (Registered number: 02492970)

**Notes to the Financial Statements - continued
for the year ended 31 July 2018**

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 August 2017	826,416	900,285	70,739	157,383	1,954,823
Additions	-	975	1,035	26,449	28,459
Disposals	-	-	-	(73,951)	(73,951)
At 31 July 2018	<u>826,416</u>	<u>901,260</u>	<u>71,774</u>	<u>109,881</u>	<u>1,909,331</u>
DEPRECIATION					
At 1 August 2017	-	360,793	39,333	72,489	472,615
Charge for year	-	81,070	4,724	19,965	105,759
Eliminated on disposal	-	-	-	(57,474)	(57,474)
At 31 July 2018	<u>-</u>	<u>441,863</u>	<u>44,057</u>	<u>34,980</u>	<u>520,900</u>
NET BOOK VALUE					
At 31 July 2018	<u>826,416</u>	<u>459,397</u>	<u>27,717</u>	<u>74,901</u>	<u>1,388,431</u>
At 31 July 2017	<u>826,416</u>	<u>539,492</u>	<u>31,406</u>	<u>84,894</u>	<u>1,482,208</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 August 2017	480,850	70,897	551,747
Additions	-	26,449	26,449
At 31 July 2018	<u>480,850</u>	<u>97,346</u>	<u>578,196</u>
DEPRECIATION			
At 1 August 2017	136,071	9,195	145,266
Charge for year	51,717	15,977	67,694
At 31 July 2018	<u>187,788</u>	<u>25,172</u>	<u>212,960</u>
NET BOOK VALUE			
At 31 July 2018	<u>293,062</u>	<u>72,174</u>	<u>365,236</u>
At 31 July 2017	<u>344,779</u>	<u>61,702</u>	<u>406,481</u>

6. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 August 2017 and 31 July 2018	<u>15,075</u>
NET BOOK VALUE	
At 31 July 2018	<u>15,075</u>
At 31 July 2017	<u>15,075</u>

Engineering Control Supplies Limited (Registered number: 02492970)

Notes to the Financial Statements - continued for the year ended 31 July 2018

7.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2018	2017
		£	£
	Trade debtors	283,860	235,607
	Other debtors	5,000	100,000
	Corporation tax recoverable	-	21,334
	Prepayments and accrued income	22,260	26,636
		<u>311,120</u>	<u>383,577</u>
8.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2018	2017
		£	£
	Bank loans and overdrafts	185,398	139,338
	Hire purchase contracts	56,506	79,897
	Trade creditors	198,907	186,563
	UK corporation tax	52,385	56,124
	Tax and social security costs	16,661	13,282
	Other creditors	34,517	38,579
	Directors' current accounts	2,264	2,264
	Accruals and deferred income	28,007	32,349
		<u>574,645</u>	<u>548,396</u>
9.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2018	2017
		£	£
	Bank loans	205,144	295,596
	Hire purchase contracts	116,032	146,494
		<u>321,176</u>	<u>442,090</u>
10.	SECURED DEBTS		
	The following secured debts are included within creditors:		
		2018	2017
		£	£
	Bank overdrafts	98,097	56,162
	Bank loans	292,445	378,772
	Hire purchase contracts	172,538	226,391
		<u>563,080</u>	<u>661,325</u>
	HSBC Bank plc loan, overdraft and credit card facilities are secured by a debenture created on 8 October 2014 comprising fixed and floating charges over all property and assets, present and future, together with a legal mortgage over the company's freehold property created 4 November 2014.		
	Hire purchase liabilities are secured on the assets concerned.		
11.	OTHER FINANCIAL COMMITMENTS		
	The company has future operating lease commitments totalling £8,835.		
12.	RELATED PARTY DISCLOSURES		
	During the year, total dividends of £125,000 (2017 - £180,000) were paid to the directors .		

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.