

Technological Engineering Productions Limited

trading as Spa Fasteners

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2019

Technological Engineering Productions Limited

trading as Spa Fasteners

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Technological Engineering Productions Limited

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Company Information

Directors K J New
D Turrall

Company secretary D Turrall

Registered office 26 Hurlbutt Road
Heathcote Industrial Estate
Warwick
CV34 6TD

Technological Engineering Productions Limited

trading as Spa Fasteners

(Registration number: 01279007) Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	63,116	64,043
Investments	5	15	15
		<hr/>	<hr/>
		63,131	64,058
Current assets			
Stocks		92,572	106,227
Debtors	6	21,008	20,050
Cash at bank and in hand		-	8,647
		<hr/>	<hr/>
		113,580	134,924
Creditors: Amounts falling due within one year	7	<hr/>	<hr/>
		(74,127)	(90,886)
Net current assets		<hr/>	<hr/>
		39,453	44,038
Total assets less current liabilities			
		102,584	108,096
Creditors: Amounts falling due after more than one year	7	<hr/>	<hr/>
		-	(6,349)
Net assets		<hr/>	<hr/>
		102,584	101,747
Capital and reserves			
Called up share capital	8	200	200
Profit and loss account		<hr/>	<hr/>
		102,384	101,547
Shareholders' funds		<hr/>	<hr/>
		102,584	101,747

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 14 September 2020 and signed on its behalf by:

Technological Engineering Productions Limited

trading as Spa Fasteners

(Registration number: 01279007)

Balance Sheet as at 31 December 2019

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D Turrall
Company secretary and director

Technological Engineering Productions Limited

trading as Spa Fasteners

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
26 Hurlbutt Road
Heathcote Industrial Estate
Warwick
CV34 6TD

These financial statements were authorised for issue by the Board on 14 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by section 399 of the Companies Act 2006 and has not prepared group accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	50 years straight line
Vehicles, plant and equipment	10-20% straight line

Investments

Investments in associated companies are measured at cost less any accumulated impairment losses. Dividends and other distributions received from associated companies are recognised as income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the useful life of the asset. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the useful life of the asset. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2018 - 4).

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

4 Tangible assets

	Land and buildings £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 January 2019	59,725	24,062	19,327	103,114
Additions	3,879	-	1,933	5,812
Disposals	-	-	(17,632)	(17,632)
At 31 December 2019	<u>63,604</u>	<u>24,062</u>	<u>3,628</u>	<u>91,294</u>
Depreciation				
At 1 January 2019	13,758	6,516	18,797	39,071
Charge for the year	434	6,015	266	6,715
Eliminated on disposal	-	-	(17,608)	(17,608)
At 31 December 2019	<u>14,192</u>	<u>12,531</u>	<u>1,455</u>	<u>28,178</u>
Carrying amount				
At 31 December 2019	<u>49,412</u>	<u>11,531</u>	<u>2,173</u>	<u>63,116</u>
At 31 December 2018	<u>45,967</u>	<u>17,546</u>	<u>530</u>	<u>64,043</u>

Included within the net book value of land and buildings above is £49,412 (2018 - £45,967) in respect of freehold land and buildings.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

5 Investments

	2019	2018
	£	£
Investments in subsidiaries	15	15
Subsidiaries		£
Cost or valuation		
At 1 January 2019		15
Provision		
Carrying amount		
At 31 December 2019		15
At 31 December 2018		15

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Associates				
Spa Plastics Limited	Unit 4 Herald Buisness Park Golden Acres Lane Coventry CV3 2SY	Ordinary shares	25%	25%

Associates

Spa Plastics Limited

The principal activity of Spa Plastics Limited is the distribution of plastic piping and fittings.

Technological Engineering Productions Limited**trading as Spa Fasteners****Notes to the Unaudited Financial Statements for the Year Ended 31
December 2019****6 Debtors**

	2019	2018
	£	£
Trade debtors	12,374	12,271
Prepayments	7,984	7,779
Other debtors	650	-
	<u>21,008</u>	<u>20,050</u>

7 Creditors**Creditors: amounts falling due within one year**

	Note	2019	2018
		£	£
Due within one year			
Bank loans and overdrafts	9	11,887	12,127
Trade creditors		38,501	36,713
Taxation and social security		10,183	12,044
Accruals and deferred income		2,695	5,911
Other creditors		10,861	24,091
		<u>74,127</u>	<u>90,886</u>

Creditors include bank loans and overdrafts which are secured of £5,538 (2018 - £4,507). These bank loans and overdrafts are secured with a fixed and floating charge over all assets of the company. Creditors also include hire purchase commitments of £6,349 (2018 - £7,620) which are secured against certain fixed assets of the company.

Creditors: amounts falling due after more than one year

	Note	2019	2018
		£	£
Due after one year			
Loans and borrowings	9	<u>-</u>	<u>6,349</u>

Creditors include hire purchase commitments of £Nil (2018 - £6,349) which are secured against certain fixed assets of the company.

Technological Engineering Productions Limited**trading as Spa Fasteners****Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019****8 Share capital****Allotted, called up and fully paid shares**

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	200	200	200	200

9 Loans and borrowings

	2019	2018
	£	£
Non-current loans and borrowings		
Hire purchase contracts	-	6,349

	2019	2018
	£	£
Current loans and borrowings		
Bank borrowings	-	4,507
Bank overdrafts	5,538	-
Hire purchase contracts	6,349	7,620
	11,887	12,127

10 Financial commitments, guarantees and contingencies**Amounts not provided for in the balance sheet**

The total amount of financial commitments not included in the balance sheet is £1,243 (2018 - £1,656). Financial commitments consist amounts payable under operating leases for rental of equipment.

11 Non adjusting events after the financial period

Since the year end COVID-19 has had a severe impact upon the country. Though it is not possible to reliably estimate the full effect of the pandemic upon the company, the company has been able to continue to trade profitably up to the present date.