

West Knighton Engineering Limited
Filleted Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2017

WEST KNIGHTON ENGINEERING LIMITED

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WEST KNIGHTON ENGINEERING LIMITED**(Registration number: 06509329)****Balance Sheet as at 30 April 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	15,543	43,475
Current assets			
Stocks	5	1,200	5,539
Debtors	6	10,298	8,101
Cash at bank and in hand		707	1,950
		<hr/> 12,205	<hr/> 15,590
Creditors: Amounts falling due within one year	7	<hr/> (31,887)	<hr/> (41,646)
Net current liabilities		<hr/> (19,682)	<hr/> (26,056)
Total assets less current liabilities		(4,139)	17,419
Creditors: Amounts falling due after more than one year	7	(3,704)	(4,971)
Provisions for liabilities			
Deferred tax liabilities		<hr/> (2,194)	<hr/> (7,721)
Net (liabilities)/assets		<hr/> (10,037)	<hr/> 4,727
Capital and reserves			
Called up share capital		2	2
Profit and loss reserve		<hr/> (10,039)	<hr/> 4,725
Total equity		<hr/> (10,037)	<hr/> 4,727

WEST KNIGHTON ENGINEERING LIMITED

(Registration number: 06509329)

Balance Sheet as at 30 April 2017

For the financial year ending 30 April 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

Approved and authorised by the director on 23 April 2018 .

Mr S R Francis
Director

WEST KNIGHTON ENGINEERING LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2017

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:

Lupins Business Centre

1 - 3 Greenhill

Weymouth

Dorset

DT4 7SP

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.

This is the first year in which the financial statements have been prepared under FRS102 Section 1A. No restatements were required to the prior year as a result of transition to FRS102 Section1A.

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.

These financial statements are presented in Sterling (£).

Turnover 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.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

WEST KNIGHTON ENGINEERING LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2017

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

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

Depreciation of tangible assets

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
Plant and machinery	15 - 25% of written down value
Property improvements	over two years

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.

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.

The cost of finished goods and work in progress comprises of direct materials and, where applicable, direct labour costs.

**Notes to the Financial Statements
for the Year Ended 30 April 2017**

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.

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 period of the lease. 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 shorter of the useful life of the asset and the lease term. 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.

Defined contribution pension obligation

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

WEST KNIGHTON ENGINEERING LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2017

3 Staff numbers

The average number of persons employed by the company (including the director) during the year was 1 (2016 - 1).

4 Tangible assets

	Plant and machinery £	Property improvements £	Total £
Cost or valuation			
At 1 May 2016	127,519	-	127,519
Additions	2,402	2,402	4,804
Disposals	(36,307)	-	(36,307)
At 30 April 2017	93,614	2,402	96,016
Depreciation			
At 1 May 2016	84,044	-	84,044
Charge for the year	24,504	1,201	25,705
Eliminated on disposal	(29,276)	-	(29,276)
At 30 April 2017	79,272	1,201	80,473
Carrying amount			
At 30 April 2017	14,342	1,201	15,543
At 30 April 2016	43,475	-	43,475

5 Stocks

	2017 £	2016 £
Work in progress	-	4,339
Finished goods and goods for resale	1,200	1,200
	1,200	5,539

6 Debtors

	2017 £	2016 £
Trade debtors	10,087	5,410
Other debtors	211	2,691
Total current trade and other debtors	10,298	8,101

WEST KNIGHTON ENGINEERING LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2017

7 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	8	12,545	12,241
Trade creditors		2,695	6,208
Taxation and social security		3,440	3,424
Corporation tax		1,682	1,957
Other creditors		11,525	17,816
		<u>31,887</u>	<u>41,646</u>
Due after one year			
Loans and borrowings	8	<u>3,704</u>	<u>4,971</u>

8 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Bank overdrafts	11,279	10,975
Obligations under finance leases and hire purchase contracts	<u>1,266</u>	<u>1,266</u>
	<u>12,545</u>	<u>12,241</u>
Non-current loans and borrowings		
Obligations under finance leases and hire purchase contracts	<u>3,704</u>	<u>4,971</u>

Other borrowings

Obligations under finance leases and hire purchases are secured against assets of the company.

9 Related party transactions

Other transactions with directors

During the year one of the directors operated an interest free loan account, which is repayable on demand. At the balance sheet date the amount due to the director was £6,158 (2016 - £16,227)