

Shrinkwrap Machinery Co.Limited
Annual Report and Unaudited Financial Statements
Year Ended 31 December 2016
Registration number: 00918708

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Shrinkwrap Machinery Co.Limited

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Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory Accounts of Shrinkwrap Machinery Co.Limited

Year Ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Shrinkwrap Machinery Co.Limited for the year ended 31 December 2016 as set out on pages 2 to 8 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 at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Shrinkwrap Machinery Co.Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Shrinkwrap Machinery Co.Limited and state those matters that we have agreed to state to the Board of Directors of Shrinkwrap Machinery Co.Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Shrinkwrap Machinery Co.Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Shrinkwrap Machinery Co.Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Shrinkwrap Machinery Co.Limited. You consider that Shrinkwrap Machinery Co.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 accounts of Shrinkwrap Machinery Co.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 accounts.

*****DRAFT*****

*****THIS REPORT HAS NOT BEEN SIGNED BY THE ACCOUNTANTS*****

Shrinkwrap Machinery Co.Limited

Balance Sheet

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	3,526	4,580
Current assets			
Stocks	5	69,000	64,000
Debtors	6	74,493	67,977
Cash at bank and in hand		61,257	26,652
		<u>204,750</u>	<u>158,629</u>
Creditors: Amounts falling due within one year	7	<u>(108,679)</u>	<u>(90,102)</u>
Net current assets		<u>96,071</u>	<u>68,527</u>
Net assets		<u>99,597</u>	<u>73,107</u>
Capital and reserves			
Called up share capital		6,000	6,000
Other reserves		1,203	1,203
Profit and loss account		<u>92,394</u>	<u>65,904</u>
Total equity		<u>99,597</u>	<u>73,107</u>

Shrinkwrap Machinery Co.Limited

Balance Sheet

31 December 2016

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

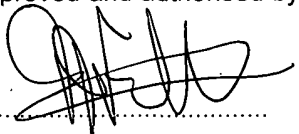
Director's responsibilities:

- 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 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.

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.

Approved and authorised by the director on 25/4/17



P D Frith
Director

Company Registration Number: 00918708

Shrinkwrap Machinery Co.Limited

Notes to the Financial Statements

Year Ended 31 December 2016

1 General information

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

The address of its registered office is:

Unit 4
Sterte Industrial Estate
145 Sterte Road
Poole
Dorset
BH15 2AF
England

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.

Change in basis of accounting

The company's financial statements have been prepared in accordance with FRS102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland. The company has transferred from previously extant UK GAAP to FRS102 as at 1 January 2015.

There is no material impact on the reported financial position and financial performance.

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 value added tax, returns, rebates and discounts and after eliminating sales within the company. and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the statement of financial position 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.

Shrinkwrap Machinery Co.Limited

Notes to the Financial Statements

Year Ended 31 December 2016

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
Plant and machinery	25% p.a. on a reducing balance basis
Fixtures, fittings & computers	15% p.a. on a reducing balance basis
Motor Vehicles	25% p.a. on a reducing balance basis

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Intellectual property	5 years straight line basis

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 stocks 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.

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.

Shrinkwrap Machinery Co.Limited

Notes to the Financial Statements

Year Ended 31 December 2016

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 11 (2015 - 11).

Shrinkwrap Machinery Co.Limited

Notes to the Financial Statements

Year Ended 31 December 2016

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 January 2016	14,517	20,569	185,626	220,712
At 31 December 2016	14,517	20,569	185,626	220,712
Depreciation				
At 1 January 2016	13,607	19,698	182,827	216,132
Charge for the year	136	218	700	1,054
At 31 December 2016	13,743	19,916	183,527	217,186
Carrying amount				
At 31 December 2016	774	653	2,099	3,526
At 31 December 2015	910	871	2,799	4,580

5 Stocks

	2016 £	2015 £
Raw materials and consumables	69,000	64,000

6 Debtors

	2016 £	2015 £
Trade debtors	65,420	64,851
Prepayments	9,073	3,126
Total current trade and other debtors	74,493	67,977

Shrinkwrap Machinery Co.Limited

Notes to the Financial Statements

Year Ended 31 December 2016

7 Creditors

	2016 £	2015 £
Due within one year		
Trade creditors	58,986	56,430
Social security and other taxes	18,664	15,825
Other creditors	28,010	15,078
Accrued expenses	3,019	2,769
	<u>108,679</u>	<u>90,102</u>

8 Transition to FRS 102

This is the first year the accounts have been prepared under FRS 102, however, this has not affected the financial position or performance of the comparative figures.