

REGISTERED NUMBER: 01697708 (England and Wales)

**Unaudited Financial Statements
for the Year Ended 28 February 2018
for
GK General Engineering Limited**

**Contents of the Financial Statements
for the Year Ended 28 February 2018**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

GK General Engineering Limited

**Company Information
for the Year Ended 28 February 2018**

DIRECTOR:	Miss J Clowes
SECRETARY:	Miss J Clowes
REGISTERED OFFICE:	Blenheim Road Airfield Industrial Estate Ashbourne Derbyshire DE6 1HA
REGISTERED NUMBER:	01697708 (England and Wales)
ACCOUNTANTS:	Mabe Allen LLP Chartered Accountants 50 Osmaston Road Derby DE1 2HU
BANKERS:	National Westminster Bank Plc 58 St Peter's Street Derby Derbyshire DE1 1XL

GK General Engineering Limited (Registered number: 01697708)**Balance Sheet
28 February 2018**

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	5		424,586		425,303
CURRENT ASSETS					
Stocks	6	35,506		10,000	
Debtors	7	125,049		138,305	
Cash at bank		<u>397,438</u>		<u>377,865</u>	
		557,993		526,170	
CREDITORS					
Amounts falling due within one year	8	<u>215,538</u>		<u>222,974</u>	
NET CURRENT ASSETS			<u>342,455</u>		<u>303,196</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			767,041		728,499
PROVISIONS FOR LIABILITIES			<u>38,040</u>		<u>39,557</u>
NET ASSETS			<u>729,001</u>		<u>688,942</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Revaluation reserve	9		307,676		307,676
Retained earnings			<u>421,225</u>		<u>381,166</u>
			<u>729,001</u>		<u>688,942</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2018 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her 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)

Balance Sheet - continued
28 February 2018

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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the director on 8 June 2018 and were signed by:

Miss J Clowes - Director

**Notes to the Financial Statements
for the Year Ended 28 February 2018**

1. STATUTORY INFORMATION

GK General Engineering 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Judgements and key sources of estimation uncertainty

The preparation of the financial statement requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:-

Revaluation of land and buildings

The company carries its land and buildings at fair value with changes in fair value being recognised in comprehensive income. The current valuation used the most recent valuation report prepared by independent valuation specialists to determine fair value at 28 February 2018. The valuer used a valuation technique which took account of the estimate of fair maintainable turnover and the marketability of the property. The determined fair value of the property is most sensitive to the estimated yield as well as the long term vacancy rate.

Turnover

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

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2018**

3. ACCOUNTING POLICIES - continued

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	- not provided
Plant and machinery	- 15% on reducing balance
Fixtures & fittings, office equipment	- 33% on cost and 10% on reducing balance
Motor vehicles	- 25% on cost

The Directors consider it inappropriate to provide depreciation on freehold land and buildings as it is their practice to maintain the properties in a continual state of sound repair such that their useful lives are so long and residual values so high that depreciation is felt to be insignificant. The financial statements comply with accounting standards and applicable legislation, subject to this departure which management has concluded is required to ensure the financial statements present a true and fair view.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairments losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Stocks

Stocks 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 stocks to their present location and condition.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in administrative expenses.

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 balance sheet date.

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2018**

3. ACCOUNTING POLICIES - continued

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

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors. Rentals payable under operating leases are charged to the Profit and Loss Account 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.

Cash and cash equivalents

Cash and cash equivalents 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.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that the outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 10 (2017 - 10) .

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures & fittings, office equipment £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 March 2017	400,000	78,733	13,717	58,927	551,377
Additions	-	-	-	13,200	13,200
Disposals	-	-	-	(4,700)	(4,700)
At 28 February 2018	<u>400,000</u>	<u>78,733</u>	<u>13,717</u>	<u>67,427</u>	<u>559,877</u>
DEPRECIATION					
At 1 March 2017	-	73,319	13,333	39,422	126,074
Charge for year	-	812	52	13,053	13,917
Eliminated on disposal	-	-	-	(4,700)	(4,700)
At 28 February 2018	<u>-</u>	<u>74,131</u>	<u>13,385</u>	<u>47,775</u>	<u>135,291</u>
NET BOOK VALUE					
At 28 February 2018	<u>400,000</u>	<u>4,602</u>	<u>332</u>	<u>19,652</u>	<u>424,586</u>
At 28 February 2017	<u>400,000</u>	<u>5,414</u>	<u>384</u>	<u>19,505</u>	<u>425,303</u>

Cost or valuation at 28 February 2018 is represented by:

	Freehold property £	Plant and machinery £	Fixtures & fittings, office equipment £	Motor vehicles £	Totals £
Valuation in 2000	62,676	-	-	-	62,676
Valuation in 2015	245,000	-	-	-	245,000
Cost	<u>92,324</u>	<u>78,733</u>	<u>13,717</u>	<u>67,427</u>	<u>252,201</u>
	<u>400,000</u>	<u>78,733</u>	<u>13,717</u>	<u>67,427</u>	<u>559,877</u>

If Land and property had not been revalued it would have been included at the following historical cost:

	2018 £	2017 £
Cost	<u>92,324</u>	<u>92,324</u>

Land and property was valued on an open market basis on 2 August 2014 by Fidler Taylor .

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2018**

5. TANGIBLE FIXED ASSETS - continued

The directors have not provided depreciation on the freehold property in the current year which is a departure from the requirements of the Financial Reporting Standard 102. Given the continued current use of the property and its position on an industrial estate the directors believe this isolated instance of non-adherence to the provisions of the Financial Reporting Standard 102 does not impact on the true and fair view of the financial statements.

6. STOCKS

	2018	2017
	£	£
Stocks	10,000	10,000
Work-in-progress	25,506	-
	<u>35,506</u>	<u>10,000</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	110,888	130,159
Other debtors	7,079	-
Prepayments	7,082	8,146
	<u>125,049</u>	<u>138,305</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Payments on account	1,090	-
Trade creditors	65,939	49,108
Corporation tax	9,248	15,500
Social security and other taxes	22,135	32,611
Directors' current accounts	111,773	120,576
Accruals	5,353	5,179
	<u>215,538</u>	<u>222,974</u>

9. RESERVES

	Revaluation reserve £
At 1 March 2017 and 28 February 2018	<u>307,676</u>

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.