

MH Engineering Services Limited
Financial Statements
for the Year Ended 31 March 2020

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for the year ended 31 March 2020

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Company Information
for the year ended 31 March 2020

DIRECTOR:

Ms E L Holmes

REGISTERED OFFICE:

24 Cornwall Road
Dorchester
Dorset
DT1 1RX

REGISTERED NUMBER:

03465713 (England and Wales)

ACCOUNTANTS:

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

Statement of Financial Position
31 March 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Property, plant and equipment	4		92,816		88,015
Investments	5		118,722		<u>118,722</u>
			211,538		<u>206,737</u>
CURRENT ASSETS					
Inventories		540,356		700,379	
Debtors	6	332,458		240,338	
Cash at bank and in hand		59,921		<u>159,956</u>	
		932,735		1,100,673	
CREDITORS					
Amounts falling due within one year	7	787,891		<u>882,430</u>	
NET CURRENT ASSETS			144,844		<u>218,243</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			356,382		424,980
CREDITORS					
Amounts falling due after more than one year	8		(113,152)		(206,713)
PROVISIONS FOR LIABILITIES	10		(11,814)		<u>(11,243)</u>
NET ASSETS			231,416		<u>207,024</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			231,316		<u>206,924</u>
SHAREHOLDERS' FUNDS			231,416		<u>207,024</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 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
- (b) 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.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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

The financial statements were approved by the director and authorised for issue on 15 March 2021 and were signed by:

Ms E L Holmes - Director

Notes to the Financial Statements for the year ended 31 March 2020

1. STATUTORY INFORMATION

MH Engineering Services 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" 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.

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.

Plant and machinery	- 15% on reducing balance
Office equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

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.

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.

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.

Notes to the Financial Statements - continued
for the year ended 31 March 2020

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2019 - 27) .

4. **PROPERTY, PLANT AND EQUIPMENT**

	Plant and machinery £	Office equipment £	Motor vehicles £	Totals £
COST				
At 1 April 2019	95,423	9,504	94,716	199,643
Additions	<u>21,000</u>	<u>-</u>	<u>3,750</u>	<u>24,750</u>
At 31 March 2020	<u>116,423</u>	<u>9,504</u>	<u>98,466</u>	<u>224,393</u>
DEPRECIATION				
At 1 April 2019	37,812	5,703	68,113	111,628
Charge for year	<u>11,791</u>	<u>570</u>	<u>7,588</u>	<u>19,949</u>
At 31 March 2020	<u>49,603</u>	<u>6,273</u>	<u>75,701</u>	<u>131,577</u>
NET BOOK VALUE				
At 31 March 2020	<u>66,820</u>	<u>3,231</u>	<u>22,765</u>	<u>92,816</u>
At 31 March 2019	<u>57,611</u>	<u>3,801</u>	<u>26,603</u>	<u>88,015</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 April 2019 and 31 March 2020	<u>68,111</u>	<u>7,950</u>	<u>76,061</u>
DEPRECIATION			
At 1 April 2019	18,901	3,478	22,379
Charge for year	<u>7,381</u>	<u>1,118</u>	<u>8,499</u>
At 31 March 2020	<u>26,282</u>	<u>4,596</u>	<u>30,878</u>
NET BOOK VALUE			
At 31 March 2020	<u>41,829</u>	<u>3,354</u>	<u>45,183</u>
At 31 March 2019	<u>49,210</u>	<u>4,472</u>	<u>53,682</u>

5. **FIXED ASSET INVESTMENTS**

	Other investments £
COST	
At 1 April 2019 and 31 March 2020	<u>118,722</u>
NET BOOK VALUE	
At 31 March 2020	<u>118,722</u>
At 31 March 2019	<u>118,722</u>

The fixed asset investment is held under a hire purchase contract.

Notes to the Financial Statements - continued
for the year ended 31 March 2020

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Trade debtors	114,267	122,903
Other debtors	182,232	87,007
Corporation tax recoverable	22,779	16,963
Prepayments and accrued income	13,180	13,465
	<u>332,458</u>	<u>240,338</u>
7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Other loans	237,684	363,528
Hire purchase contracts	36,582	36,582
Trade creditors	285,252	402,186
Tax and social security costs	99,212	64,299
Other creditors	71,422	9,602
Directors' current accounts	50,275	113
Accruals and deferred income	7,464	6,120
	<u>787,891</u>	<u>882,430</u>
8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2020	2019
	£	£
Other loans	41,710	98,504
Hire purchase contracts	71,442	108,209
	<u>113,152</u>	<u>206,713</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Hire purchase	<u>-</u>	<u>3,241</u>
9. SECURED DEBTS		
The following secured debts are included within creditors:		
	2020	2019
	£	£
Hire purchase contracts	<u>108,024</u>	<u>144,791</u>
Hire purchase liabilities are secured on the assets concerned.		
10. PROVISIONS FOR LIABILITIES		
	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	<u>11,814</u>	<u>11,243</u>
		Deferred tax
		£
Balance at 1 April 2019		11,243
Charge to Income Statement during year		<u>571</u>
Balance at 31 March 2020		<u>11,814</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2020

11. OTHER FINANCIAL COMMITMENTS

The company has future operating lease commitments totalling £23,034.

12. RELATED PARTY DISCLOSURES

During the year, total dividends of £58,000 (2019 - £113,000) 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.