

REGISTRARS COPY

DUNCAN-LYNCH PRECISION TOOLS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 JUNE 2018



DUNCAN-LYNCH PRECISION TOOLS LIMITED
REGISTERED NUMBER: 00694677

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible fixed assets	4	346	520
Tangible fixed assets	5	1,029,398	1,095,286
		<u>1,029,744</u>	<u>1,095,806</u>
Current assets			
Stocks		822,210	814,951
Debtors: amounts falling due within one year	6	579,100	697,257
Bank and cash balances		44,720	225
		<u>1,446,030</u>	<u>1,512,433</u>
Creditors: amounts falling due within one year	7	(1,665,161)	(1,722,632)
Net current liabilities		<u>(219,131)</u>	<u>(210,199)</u>
Total assets less current liabilities		<u>810,613</u>	<u>885,607</u>
Creditors: amounts falling due after more than one year	8	(584,693)	(390,446)
Provisions for liabilities			
Deferred tax	9	-	(66,885)
Net assets		<u><u>225,920</u></u>	<u><u>428,276</u></u>
Capital and reserves			
Called up share capital		4,050	4,050
Profit and loss account		221,870	424,226
		<u><u>225,920</u></u>	<u><u>428,276</u></u>

DUNCAN-LYNCH PRECISION TOOLS LIMITED
REGISTERED NUMBER: 00694677

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2018

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

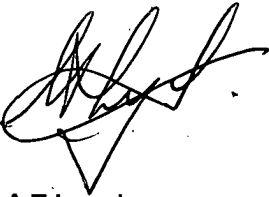
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



A T Lynch
Director

Date: 11/03/19

The notes on pages 3 to 10 form part of these financial statements.

DUNCAN-LYNCH PRECISION TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. General information

The company is a private limited company, which is incorporated and registered in England and Wales (no.00694677). The address of the registered office is Weller Drive, Hogwood Industrial Estate, Finchampstead, Wokingham, Berkshire, RG40 4QZ

The principal activity of the company is that of precision tool makers and sheet metal workers.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company depends on its existing bank facilities and loans from the director to meet its day to day working capital requirements. Current forecasts indicate that the company expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The director is not aware, however, of any circumstances that may adversely affect the renewal of these facilities. Accordingly, the director believes it is appropriate to prepare the financial statements on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

DUNCAN-LYNCH PRECISION TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.5 Borrowing costs

All borrowing costs are recognised in the statement of income and retained earnings in the year in which they are incurred.

2.6 Pensions

Defined contribution pension plan

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 payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings 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.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of income and retained earnings over its useful economic life.

DUNCAN-LYNCH PRECISION TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	- 2.5% straight line
Leasehold property	- 2.5% straight line
Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 15-25% reducing balance
Computer equipment	- 25% reducing balance

2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

DUNCAN-LYNCH PRECISION TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

3. Employees

The average monthly number of employees, including directors, during the year was 49 (2017 - 49).

4. Intangible assets

	Goodwill £
Cost	
At 1 July 2017	1,738
At 30 June 2018	<u>1,738</u>
Amortisation	
At 1 July 2017	1,218
Charge for the year	174
At 30 June 2018	<u>1,392</u>
Net book value	
At 30 June 2018	<u><u>346</u></u>
At 30 June 2017	<u><u>520</u></u>

DUNCAN-LYNCH PRECISION TOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

5. Tangible fixed assets

	Freehold property £	Leasehold property £	Plant and machinery £	Motor vehicles £	Computer and office equipment £	Total £
Cost or valuation						
At 1 July 2017	596,958	410,756	1,788,987	84,931	102,952	2,984,584
Additions	-	-	234,997	-	-	234,997
Disposals	-	(309,148)	-	-	-	(309,148)
At 30 June 2018	596,958	101,608	2,023,984	84,931	102,952	2,910,433
Depreciation						
At 1 July 2017	284,895	144,550	1,303,946	62,718	93,189	1,889,298
Charge for the year on owned assets	14,924	6,405	81,165	1,388	2,146	106,028
Charge for the year on financed assets	-	-	29,958	4,165	-	34,123
Disposals	-	(148,414)	-	-	-	(148,414)
At 30 June 2018	299,819	2,541	1,415,069	68,271	95,335	1,881,035
Net book value						
At 30 June 2018	297,139	99,067	608,915	16,660	7,617	1,029,398
At 30 June 2017	312,063	266,206	485,041	22,213	9,763	1,095,286

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	269,625	84,583
Motor vehicles	12,497	16,662
	<u>282,122</u>	<u>101,245</u>

DUNCAN-LYNCH PRECISION TOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

6. Debtors

	2018 £	2017 £
Trade debtors	514,272	629,895
Other debtors	31,886	31,970
Prepayments and accrued income	32,942	35,392
	<u>579,100</u>	<u>697,257</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	-	2,460
Bank loans	136,987	113,954
Trade creditors	464,355	491,681
Amounts owed to associates	-	4,276
Other taxation and social security	210,430	238,690
Net obligations under finance lease and hire purchase contracts	66,828	28,426
Proceeds of factored debts	436,776	477,568
Other creditors	333,635	359,227
Accruals and deferred income	16,150	6,350
	<u>1,665,161</u>	<u>1,722,632</u>

Secured loans

The bank loans and overdrafts are secured by a first legal charge over Units E and F Hogwood Industrial Estate, a fixed and floating charge over the assets of the company, and by life cover in the name of the director, A T Lynch.

The invoice finance creditor is secured on the trade debtors of the company.

The hire purchase contracts are secured on the assets being financed.

DUNCAN-LYNCH PRECISION TOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	398,168	324,797
Net obligations under finance leases and hire purchase contracts	186,525	65,649
	<u>584,693</u>	<u>390,446</u>

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2018 £	2017 £
Repayable by instalments	205,251	112,701
	<u>205,251</u>	<u>112,701</u>

9. Deferred taxation

	2018 £
At beginning of year	(66,885)
Charged to profit or loss	66,885
At end of year	<u>-</u>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	87,464	(17,263)
Short term timing differences	(1,289)	(11)
Losses and other deductions	(86,175)	84,159
	<u>-</u>	<u>(66,885)</u>

DUNCAN-LYNCH PRECISION TOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £48,943 (2017 - £48,111). Contributions totalling £7,580 (2017 - £7,646) were payable to the fund at the balance sheet date.

11. Commitments under operating leases

At 30 June 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	60,500	40,000
Later than 1 year and not later than 5 years	242,000	160,000
Later than 5 years	160,500	180,000
	<u>463,000</u>	<u>380,000</u>

12. Related party transactions

Included within other debtors is an amount of £31,321 (2017 - £31,321) due from the Rams Rugby Football Club. The director of the company is also the chairman of the Rams Rugby Football Club.

During the year £18,000 (2017 - £6,967) sponsorship was paid to the Rams Rugby Football Club.