

Company registration number: 1364205

MELBORHA ENGINEERING COMPANY LIMITED

30 NOVEMBER 2017



MELBORHA ENGINEERING COMPANY LIMITED

**STATEMENT OF FINANCIAL POSITION
30 NOVEMBER 2017**

	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4	1,807,244		1,873,593	
			1,807,244		1,873,593
Current assets					
Stocks		20,573		17,210	
Debtors	5	865,786		743,745	
Cash at bank and in hand		1,323,148		1,134,948	
		2,209,507		1,895,903	
Creditors: amounts falling due within one year	6	(667,147)		(630,857)	
Net current assets			1,542,360		1,265,046
Total assets less current liabilities			3,349,604		3,138,639
Net assets			3,349,604		3,138,639
Capital and reserves					
Called up share capital			396,000		401,000
Revaluation reserve			599,058		599,058
Profit and loss account			2,354,546		2,138,581
Shareholders funds			3,349,604		3,138,639

The notes on pages 3 to 7 form part of these financial statements.

MELBORHA ENGINEERING COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)
30 NOVEMBER 2017

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

Directors responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 21/3/18, and are signed on behalf of the board by:



Mr D Taylor
Director

Company registration number: 1364205

The notes on pages 3 to 7 form part of these financial statements.

MELBORHA ENGINEERING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 NOVEMBER 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Odeon House, 146 College Road, Harrow, Middlesex, HA1 1BH.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

MELBORHA ENGINEERING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 NOVEMBER 2017

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- No depreciation provided as revalued
Plant and machinery	- 10% straight line
Fittings fixtures and equipment	- Fully depreciated
Motor vehicles	- 10% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

MELBORHA ENGINEERING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 NOVEMBER 2017

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 NOVEMBER 2017

4. Tangible assets

	Freehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 December 2016 and 30 November 2017	800,000	1,743,405	45,937	13,010	2,602,352
Depreciation					
At 1 December 2016	-	678,920	45,936	3,903	728,759
Charge for the year	-	65,048	-	1,301	66,349
At 30 November 2017	-	743,968	45,936	5,204	795,108
Carrying amount					
At 30 November 2017	800,000	999,437	1	7,806	1,807,244
At 30 November 2016	800,000	1,064,485	1	9,107	1,873,593

Tangible assets held at valuation

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property	Total
	£	£
At 30 November 2017		
Aggregate cost	276,220	276,220
Aggregate depreciation	(119,594)	(119,594)
Carrying amount	156,626	156,626
At 30 November 2016		
Aggregate cost	276,220	276,220
Aggregate depreciation	(114,670)	(114,670)
Carrying amount	161,550	161,550

MELBORHA ENGINEERING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 NOVEMBER 2017

5. Debtors

	2017	2016
	£	£
Trade debtors	855,448	733,450
Other debtors	10,338	10,295
	<u>865,786</u>	<u>743,745</u>

6. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	354,786	347,165
Corporation tax	208,421	186,919
Social security and other taxes	96,340	89,173
Other creditors and accruals	7,600	7,600
	<u>667,147</u>	<u>630,857</u>

7. Controlling party

The company has no controlling party.

Statement of consent to prepare abridged financial statements

All of the members of Melborha Engineering Company Limited have consented to the preparation of the income statement and the abridged statement of financial position for the current year ending 30 November 2017 in accordance with Section 444(2A) of the Companies Act 2006.