

Batley Foundry Limited

Filleted Unaudited Financial Statements
for the Year Ended 31 March 2021

Batley Foundry Limited
(Registration number: 00798460)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	1,246,299	782,805
Current assets			
Stocks		60,242	48,902
Debtors	<u>5</u>	1,909,619	1,896,113
Cash at bank and in hand		<u>200,543</u>	<u>181</u>
		2,170,404	1,945,196
Creditors: Amounts falling due within one year	<u>6</u>	<u>(771,989)</u>	<u>(734,734)</u>
Net current assets		<u>1,398,415</u>	<u>1,210,462</u>
Total assets less current liabilities		2,644,714	1,993,267
Creditors: Amounts falling due after more than one year	<u>6</u>	<u>(109,585)</u>	<u>(9,031)</u>
Provisions for liabilities		<u>(82,880)</u>	<u>(56,457)</u>
Net assets		<u><u>2,452,249</u></u>	<u><u>1,927,779</u></u>
Capital and reserves			
Called up share capital	<u>9</u>	15,000	15,000
Revaluation reserve		720,702	280,582
Profit and loss account		<u>1,716,547</u>	<u>1,632,197</u>
Shareholders' funds		<u><u>2,452,249</u></u>	<u><u>1,927,779</u></u>

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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.

Batley Foundry Limited

(Registration number: 00798460)
Balance Sheet as at 31 March 2021

Approved and authorised by the Board on 30 November 2021 and signed on its behalf by:

Mr M A Powell
Director

Batley Foundry Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

1 General information

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

The address of its registered office is:

50-54 Oswald Road
Scunthorpe
North Lincolnshire
DN15 7PQ

The principal place of business is:

Batley Foundry
Warwick Road
Batley
West Yorkshire
WF17 6BB

Registered number: 00798460.

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.

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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Batley Foundry Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost or valuation, 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.

The revaluation method has been applied to the tangible asset class of freehold property. The basis of the valuation was market value as assessed by an independent valuer.

Depreciation

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	10% per annum on written down value
Freehold property	2% per annum on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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 inventories 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.

Batley Foundry Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs.

The business utilises an invoice financing facility. Financial assets and liabilities arising from a sale are recorded at the transaction price.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 22 (2020 - 27).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2020	687,744	913,969	1,601,713
Revaluations	312,256	-	312,256
At 31 March 2021	1,000,000	913,969	1,913,969
Depreciation			
At 1 April 2020	178,606	640,302	818,908
Charge for the year	13,754	27,368	41,122
Revaluations	(192,360)	-	(192,360)
At 31 March 2021	-	667,670	667,670
Carrying amount			
At 31 March 2021	1,000,000	246,299	1,246,299
At 31 March 2020	509,138	273,667	782,805

Revaluation

The fair value of the company's freehold property was revalued on 31 March 2021 by an independent valuer. The basis of the valuation was market value.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £245,567 (2020 - £253,929).

5 Debtors

	2021 £	2020 £
Trade debtors	489,675	514,541
Amounts owed by group undertakings	1,374,691	1,341,142
Other debtors	45,253	40,430
	1,909,619	1,896,113

Batley Foundry Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

6 Creditors

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	7	440,680	467,036
Trade creditors		209,037	153,583
Taxation and social security		86,708	79,276
Other creditors		35,564	34,839
		<u>771,989</u>	<u>734,734</u>
Due after one year			
Loans and borrowings	7	<u>109,585</u>	<u>9,031</u>

7 Loans and borrowings

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	24,999	58,881
HP and finance lease liabilities	3,613	13,252
Invoice finance creditor	<u>412,068</u>	<u>394,903</u>
	<u>440,680</u>	<u>467,036</u>

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	104,167	-
HP and finance lease liabilities	<u>5,418</u>	<u>9,031</u>
	<u>109,585</u>	<u>9,031</u>

Bank borrowings are secured against the assets of the company.
The HP liabilities are secured against the assets to which they relate.
The invoice finance creditor is secured upon the book debts of the company.

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

8 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Revaluation reserve £	Retained earnings £	Total £
Surplus on freehold property revaluation net of deferred tax movement	440,120	32,955	473,075

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Revaluation reserve £	Total £
Surplus on freehold property revaluation net of deferred tax movement	2,470	2,470

9 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	15,000	15,000	15,000	15,000

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.