

Collis Engineering Limited

Annual Report and Financial Statements
for the Year Ended 30 April 2021

Collis Engineering Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Financial Statements	<u>4</u> to <u>12</u>

Collis Engineering Limited

Company Information

Directors	P Roberts P Savage J A Leafe P Hobbs D J Eades R Whitehead K W Birks T P Roberts
Company secretary	J A Leafe
Registered office	Meadow Lane Industrial Estate Meadow Lane Alfreton Derbyshire DE55 7RG
Solicitors	Hopkins Solicitors 27 Regent Street Nottingham Nottinghamshire NG1 5BS
Auditors	Ashgates Corporate Services Limited Registered Auditor 5 Prospect Place Millennium Way Pride Park Derby DE24 8HG

Collis Engineering Limited
(Registration number: 00995270)
Balance Sheet as at 30 April 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	545,387	577,390
Investments	<u>5</u>	<u>1</u>	<u>1</u>
		<u>545,388</u>	<u>577,391</u>
Current assets			
Stocks	<u>6</u>	287,608	244,500
Debtors	<u>7</u>	4,090,253	3,843,553
Cash at bank and in hand		<u>4,558</u>	<u>5,787</u>
		4,382,419	4,093,840
Creditors: Amounts falling due within one year	<u>8</u>	<u>(2,563,022)</u>	<u>(2,485,231)</u>
Net current assets		<u>1,819,397</u>	<u>1,608,609</u>
Total assets less current liabilities		2,364,785	2,186,000
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(158,305)</u>	<u>(181,186)</u>
Provisions for liabilities		<u>(102,039)</u>	<u>(108,018)</u>
Net assets		<u><u>2,104,441</u></u>	<u><u>1,896,796</u></u>
Capital and reserves			
Called up share capital	<u>9</u>	52,630	52,630
Profit and loss account		<u>2,051,811</u>	<u>1,844,166</u>
Total equity		<u><u>2,104,441</u></u>	<u><u>1,896,796</u></u>

Collis Engineering Limited

(Registration number: 00995270)
Balance Sheet as at 30 April 2021

These financial statements have been prepared and 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.

Approved and authorised by the Board on 28 January 2022 and signed on its behalf by:

P Roberts
Director

J A Leafe
Company secretary and director

P Hobbs
Director

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

1 General information

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

The address of the registered office is given in the company information on page 1 of the financial statements.

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.

The financial statements are presented in Sterling (£) and rounded to the nearest £1.

Group accounts not prepared

The financial statements contain information about Collis Engineering Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking is included by full consolidation in the consolidated financial statements of its parent, Signal House Group Limited, a company incorporated in England.

Going concern

The emergence of the global pandemic known as Covid-19 has raised significant uncertainty throughout the UK economy. The Company is making use of the Government support schemes and is working closely with customers and suppliers to review their plans and expected activities in the coming months.

At the time of approving the accounts there is uncertainty over the projected income for the company because this pandemic is unprecedented so no one can accurately predict how the economy will react over the coming year. Consideration has been given to the risks of reduced turnover, slow payment or non-payment of debts, the value of stock and other assets owned by the company. The going concern of the business will be dependent the continued financial support of the Government support schemes.

Based on the information available and using a reasonable range of assumptions, the business can continue as a going concern and the accounts have been prepared on this basis.

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

Key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised, if the revision only affects that period, or in the period of revision and future period if the revision affects both the current and future periods.

The estimates and assumptions which have risk of causing material adjustment to the carrying amount of assets and liabilities are set out below:

Revenue recognition and amounts recoverable on contracts:

Judgement is required to identify when it is appropriate to recognise revenue on contracts. Management estimate this based on their knowledge of the contract at the balance sheet date and also take previous experience into account.

Impairment of debtors:

On a periodic basis management makes an estimation of the recoverability of debtors. Management make such estimations based on the ageing profile, and historical experience.

Revenue recognition

Turnover is stated net of value added tax. Turnover from the sale of goods is recognised when risk and reward of ownership have passed to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date, turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided the amounts are recorded as deferred income and included as part of creditors.

Contract revenue recognition

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Revenue derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Government grants

Government grants are recognised in the profit and loss account as income when such grant does not impose specified future performance-related conditions, in accordance with the performance model.

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 income 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.

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

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

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% reducing balance
Fixtures, fittings and equipment	15% reducing balance
Motor vehicles	25% reducing balance

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method.

Dividends on equity securities are recognised in income when receivable.

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.

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

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 hire purchase and 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.

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.

Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Gavin Robert Booth, who signed for and on behalf of Ashgates Corporate Services Limited on 28 January 2022.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 103 (2020 - 108).

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 May 2020	374,262	328,682	1,344,425	2,047,369
Additions	11,156	40,502	52,515	104,173
Disposals	-	(64,286)	-	(64,286)
At 30 April 2021	385,418	304,898	1,396,940	2,087,256
Depreciation				
At 1 May 2020	285,450	89,792	1,094,737	1,469,979
Charge for the year	13,202	51,329	49,557	114,088
Eliminated on disposal	-	(42,198)	-	(42,198)
At 30 April 2021	298,652	98,923	1,144,294	1,541,869
Carrying amount				
At 30 April 2021	86,766	205,975	252,646	545,387
At 30 April 2020	88,812	238,890	249,688	577,390

5 Investments

	2021 £	2020 £
Investments in subsidiaries	1	1
Subsidiaries		£
Cost or valuation		
At 1 May 2020		1
At 30 April 2021		1
Carrying amount		
At 30 April 2021		1
At 30 April 2020		1

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Collis Engineering Railway Contracts Limited	Meadow Lane Industrial Estate, Meadow Lane, Alfreton, Derbyshire, DE55 7RG	Ordinary	100%	100%

Collis Engineering Railway Contracts Limited is a dormant company.

6 Stocks

	2021 £	2020 £
Work in progress	64,075	26,623
Other inventories	223,533	217,877
	<u>287,608</u>	<u>244,500</u>

7 Debtors

	Note	2021 £	2020 £
Trade debtors		1,431,238	911,356
Amounts owed by group undertakings	<u>12</u>	2,517,174	2,710,601
Other debtors		141,841	221,596
		<u>4,090,253</u>	<u>3,843,553</u>

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

8 Creditors

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	<u>10</u>	1,134,922	1,114,565
Trade creditors		625,907	526,045
Taxation and social security		386,621	261,135
Other creditors		<u>415,572</u>	<u>583,486</u>
		<u>2,563,022</u>	<u>2,485,231</u>
Due after one year			
Loans and borrowings	<u>10</u>	<u>158,305</u>	<u>181,186</u>

9 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	52,630	52,630	52,630	52,630

10 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Hire purchase and finance lease liabilities	<u>158,305</u>	<u>181,186</u>
Current loans and borrowings		
Bank overdrafts	585,095	709,271
Other borrowings	467,719	325,310
Hire purchase and finance lease liabilities	<u>82,108</u>	<u>79,984</u>
	<u>1,134,922</u>	<u>1,114,565</u>

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

Bank borrowings

The bank overdraft is secured by a debenture creating a fixed and floating charge over the assets of the company and also by virtue of a cross guarantee by the parent company. This is supported by a legal charge over the land and buildings owned by the parent company and a debenture creating a fixed and floating charge over all of its assets. The carrying amount at year end is £585,095 (2020 - £709,271).

Other borrowings

Hire purchase and finance lease liabilities are secured against the assets to which they relate. The carrying amount at the year end is £240,106 (2020 - £261,170).

Other borrowings, which relate to invoice discount facilities, are secured against the related debtors and also by virtue of cross guarantees between group companies. The carrying amount at the year end is £467,719 (2020 - £325,310).

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

Financial and capital commitments

The total amount of financial commitments not included in the balance sheet is £214,079 (2020 - £176,475). These commitments relate to obligations under operating leases and are analysed as follows:

Not later than one year	57,372	142,468
Later than one year and not later than five years	156,707	34,007
Later than five years	-	-
	<u>214,079</u>	<u>176,475</u>

Contingent liabilities

The company has entered into cross guarantees with its finance providers in respect of the liabilities of other group and related companies. This is supported by a debenture over the company's assets. The contingent liability as at 30 April 2021 is £482,113 (2020 - £402,402). The future outcome is dependent upon the performance of individual companies concerned, however the directors do not expect any liability to crystallise.

12 Related party transactions

The company has taken advantage of the exemption available under FRS 102 Section 1A in respect of disclosing transactions with other members of the group.

Collis Engineering Limited

Notes to the Financial Statements for the Year Ended 30 April 2021

13 Parent and ultimate parent undertaking

The company's immediate parent is Signal House Group Limited, incorporated in England. The ultimate controlling party is P Roberts.

Relationship between entity and parents

The smallest and largest group in which these financial statements are consolidated is Signal House Group Limited, incorporated in England. These financial statements are available upon request from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The address of Signal House Group Limited is:

Salcombe Road, Meadow Lane Industrial Estate, Alfreton, Derbyshire, DE55 7RG

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.