CHESTERFIELD MACHINE SERVICES LIMITED ABBREVIATED ACCOUNTS FOR 31ST AUGUST 2016



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CHESTERFIELD MACHINE SERVICES LIMITED ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2016

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CHESTERFIELD MACHINE SERVICES LIMITED

ABBREVIATED BALANCE SHEET

31ST AUGUST 2016

		2016		2015	
	Note	£	£	£	£
FIXED ASSETS	2				
Intangible assets					-
Tangible assets			.61,576		72,334
			61,576		72,334
CURRENT ASSETS			•		•
Stocks		124,385		121,545	
Debtors		317,209		157,158	
Cash at bank and in hand		1,618		157	
		443,212		278,860	
CREDITORS: Amounts falling due		-			
within one year	3	107,684		63,224	•
NET CURRENT ASSETS			335,528		215,636
TOTAL ASSETS LESS CURRENT					
LIABILITIES			397,104		287,970
PROVISIONS FOR LIABILITIES			1,386		1,525
			395,718	•	286,445
			575,710		200,443
CAPITAL AND RESERVES					
Called up equity share capital	5		11,000		11,000
Profit and loss account			384,718		275,445
SHAREHOLDERS' FUNDS			395,718		286,445

For the year ended 31st August 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved and signed by the director and authorised for issue on 21/1/3

Patricia Coe

Company Registration Number: 02360583

CHESTERFIELD MACHINE SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Consolidation

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its useful economic life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years. The carrying amount at the date of revision is depreciated over the revised estimate of remaining useful economic life.

Amortisation

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

Goodwill

straight line over 10 years

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Leasehold Properties are amortised on a straight line basis over the term of the lease

Plant & Machinery - 15% reducing balance
Property Improvements - 10% reducing balance

Motor Vehicles

25% reducing balance

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is taken as 60% of August sales.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CHESTERFIELD MACHINE SERVICES LIMITED NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2016

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Total
COST			_
At 1st September 2015 and			
31st August 2016	80,000	248,020	328,020
DEPRECIATION			
At 1st September 2015	80,000	175,686	255,686
Charge for year		10,758	10,758
At 31st August 2016	80,000	186,444	266,444
NET BOOK VALUE			
At 31st August 2016		61,576	61,576
At 31st August 2015		72,334	72,334

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

2016 £ 2015 £

The bank overdraft is secured by a fixed and floating charge over the assets of the company.

2015

CHESTERFIELD MACHINE SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2016

4. RELATED PARTY TRANSACTIONS

The company was under the control of Mrs P Coe throughout the current and previous year. Mrs Coe is the managing director.

Mrs Coe is the sole shareholder of the parent company, Chesterfield Machine Services Holdings Limited.

During the year the company sold materials to a value of £572,805 net of VAT (2015 £443,444) to Codel International Limited a company in which Mrs P Coe has related party interest.

During the year the company purchases materials to a value of £41,037 net of VAT (2015 £38,897) from Codel International Limited, a company in which Mrs P Coe has a related party interest.

These transactions were all in an arms length basis on normal commercial terms.

At the end of the year the balance outstanding in respect of these sales was £304,691 (2015 £135,018)

At the end of the year the balance outstanding in respect of these purchases was £49,424 (2015 £Nil)

5. SHARE CAPITAL

Authorised share capital:

100,000 Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid:	·	

2016

2016		20	2015	
No.	£	No.	£	
11,000	11,000	11,000	11,000	
	No.	No. £	No. £ No.	

All shares in the company were bought back by the limited company in March 2011. 11,000 shares were then transferred to the holding company.

6. ULTIMATE PARENT COMPANY

The holding company is Chesterfield Machine Services Holdings Limited as from March 2011. The holding company owns all the shares in the limited company. Issued share capital is 11,000 shares.