

# Specialist Cutting Services Limited

Annual Report and Unaudited Financial Statements- Companies house filing  
for the Year Ended 30 June 2023

# **Specialist Cutting Services Limited**

## **Contents**

Statement of Financial Position	<u>1</u> to <u>2</u>
Notes to the Unaudited Financial Statements	<u>3</u> to <u>8</u>

# Specialist Cutting Services Limited

(Registration number: 03300243)

## Statement of Financial Position as at 30 June 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	764,750	733,633
<b>Current assets</b>			
Stocks	<u>5</u>	45,000	11,900
Debtors	<u>6</u>	650,567	1,117,360
Cash at bank and in hand		<u>1,193,874</u>	<u>523,664</u>
		1,889,441	1,652,924
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(650,746)</u>	<u>(1,008,217)</u>
<b>Net current assets</b>		<u>1,238,695</u>	<u>644,707</u>
<b>Total assets less current liabilities</b>		2,003,445	1,378,340
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(169,474)</u>	<u>(330,844)</u>
<b>Provisions for liabilities</b>		<u>(177,067)</u>	<u>(133,674)</u>
<b>Net assets</b>		<u><u>1,656,904</u></u>	<u><u>913,822</u></u>
<b>Capital and reserves</b>			
Called up share capital		6	6
Profit and loss account		<u>1,656,898</u>	<u>913,816</u>
Shareholders' funds		<u><u>1,656,904</u></u>	<u><u>913,822</u></u>

For the financial year ending 30 June 2023 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 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'.

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 Income Statement has been taken.

**Specialist Cutting Services Limited**

**(Registration number: 03300243)**

**Statement of Financial Position as at 30 June 2023**

Approved and authorised by the Board on 27 March 2024 and signed on its behalf by:

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Mr S Cook

Director

# **Specialist Cutting Services Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 30 June 2023**

### **1 General information**

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

The address of its registered office is: Knoll House, Knoll Road, Camberley, Surrey, GU15 3SY. United Kingdom.

### **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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### **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 prepared in sterling, which is the functional currency of the entity.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of 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.

#### **Contract revenue recognition**

Where the outcome of construction contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion on the contract activity as at the year end.

Where the outcome of construction contracts cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is expensed immediately, with a provision for an onerous contract being recognised.

Where the collectability of an amount already recognised as contract revenue is no longer probable, the uncollectable amount is expensed rather than recognised as an adjustment to the amount of contract revenue.

The entity uses the percentage of completion method to determine the amounts to be recognised in the period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred for work performed to date do not include costs relating to future activity, such as for materials or prepayments.

# Specialist Cutting Services Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 June 2023

### 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.

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 and fittings	15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	25% straight line

### 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.

### Trade debtors

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

### Cash and cash equivalents

Cash is represented by cash in hand and bank deposits.

### Trade creditors

Short term creditors are measured at the transaction price.

# **Specialist Cutting Services Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 30 June 2023**

### **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 income statement 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.

### **Provisions**

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

### **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 statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance costs in the income statement 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.

### **Employee benefits**

Short-term employee benefits are recognised as an expense in the period which they are incurred.

### **Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

## **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 41 (2022 - 38).

## Specialist Cutting Services Limited

### Notes to the Unaudited Financial Statements for the Year Ended 30 June 2023

#### 4 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £
<b>Cost or valuation</b>				
At 1 July 2022	8,672	1,691,346	18,064	440,192
Additions	8,938	55,118	7,643	188,590
Disposals	-	(5,500)	-	(27,990)
At 30 June 2023	17,610	1,740,964	25,707	600,792
<b>Depreciation</b>				
At 1 July 2022	6,358	1,168,436	12,171	237,676
Charge for the year	1,749	114,898	5,292	95,806
Eliminated on disposal	-	(1,980)	-	(20,083)
At 30 June 2023	8,107	1,281,354	17,463	313,399
<b>Carrying amount</b>				
At 30 June 2023	9,503	459,610	8,244	287,393
At 30 June 2022	2,314	522,910	5,893	202,516
				<b>Total £</b>
<b>Cost or valuation</b>				
At 1 July 2022				2,158,274
Additions				260,289
Disposals				(33,490)
At 30 June 2023				2,385,073
<b>Depreciation</b>				
At 1 July 2022				1,424,641
Charge for the year				217,745
Eliminated on disposal				(22,063)
At 30 June 2023				1,620,323
<b>Carrying amount</b>				
At 30 June 2023				764,750
At 30 June 2022				733,633



## Specialist Cutting Services Limited

### Notes to the Unaudited Financial Statements for the Year Ended 30 June 2023

#### 5 Stocks

	2023 £	2022 £
Raw materials and consumables	45,000	11,900

#### 6 Debtors

	2023 £	2022 £
Trade debtors	314,859	625,843
Other debtors	187,462	273,436
Prepayments	6,590	624
Gross amount due from customers for contract work	141,656	217,457
	650,567	1,117,360

#### 7 Creditors

##### Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Bank loans and overdrafts	<u>8</u>	163,628	207,169
Trade creditors		250,393	524,405
Taxation and social security		136,519	65,125
Accruals and deferred income		52,213	49,632
Other creditors		47,993	161,886
		650,746	1,008,217

Creditors include net obligations under finance lease and hire purchase contracts which are secured by way of the specific assets to which they relate, and a bank loan which is secured by a debenture placing a fixed and floating charges over the company's assets.

# Specialist Cutting Services Limited

## Notes to the Unaudited Financial Statements for the Year Ended 30 June 2023

### Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Loans and borrowings	8	169,474	330,844

### 8 Loans and borrowings

	2023 £	2022 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	115,768	213,417
Hire purchase contracts	53,706	117,427
	169,474	330,844

	2023 £	2022 £
<b>Current loans and borrowings</b>		
Bank borrowings	99,907	96,874
Hire purchase contracts	63,721	110,295
	163,628	207,169

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.