

**COMPANY REGISTRATION NUMBER: 01560517**

**Afon Toolmakers & Engineers Limited**

**Filleted Financial Statements**

**30 April 2021**

**Afon Toolmakers & Engineers Limited**

**Financial Statements**

**Year ended 30 April 2021**

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## **Afon Toolmakers & Engineers Limited**

### **Officers and Professional Advisers**

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**The board of directors**

Mr A Beaujean  
Mr A J Beaujean  
Mr C Beaujean  
Mrs H Beaujean

**Company secretary**

Mr C Beaujean

**Registered office**

Camffrwd Way  
Enterprise Park  
Morrison  
Swansea  
West Glamorgan  
SA6 8QD

**Auditor**

James & Uzzell Ltd  
Chartered Certified Accountants & statutory auditor  
Axis 15, Axis Court  
Mallard Way  
Riverside Business Park  
Swansea  
SA7 0AJ

**Afon Toolmakers & Engineers Limited****Statement of Financial Position****30 April 2021**

		<b>2021</b>	2020
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>			
Tangible assets	<b>5</b>	471,090	540,190
<b>CURRENT ASSETS</b>			
Stocks	<b>6</b>	290,077	173,300
Debtors	<b>7</b>	1,295,166	1,403,483
Cash at bank and in hand		483,552	324,373
		-----	-----
		2,068,795	1,901,156
<b>CREDITORS: amounts falling due within one year</b>	<b>8</b>	1,669,557	1,694,752
		-----	-----
<b>NET CURRENT ASSETS</b>		399,238	206,404
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		870,328	746,594
<b>CREDITORS: amounts falling due after more than one year</b>	<b>9</b>	330,425	137,067
<b>PROVISIONS</b>			
Taxation including deferred tax		80,335	91,451
		-----	-----
<b>NET ASSETS</b>		459,568	518,076
		-----	-----
<b>CAPITAL AND RESERVES</b>			
Called up share capital	<b>10</b>	16,002	16,002
Profit and loss account		443,566	502,074
		-----	-----
<b>SHAREHOLDERS FUNDS</b>		459,568	518,076
		-----	-----

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 Section 1A of 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 statement of comprehensive income has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 18 August 2021, and are signed on behalf of the board by:

**Mr C Beaujean**

Director

Company registration number: 01560517

# **Afon Toolmakers & Engineers Limited**

## **Notes to the Financial Statements**

**Year ended 30 April 2021**

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### **1. GENERAL INFORMATION**

Afon Toolmakers & Engineers Limited is a private company limited by shares incorporated in England & Wales, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are that of a fabricating engineering company.

### **2. STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)', Section 1A for Small Entities and the Companies Act 2006.

### **3. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1. The reporting period of these financial statements and its comparative period is 12 months. These financial statements only include the results of the individual entity made up to 30 April 2021. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

#### **Research & development**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### **Going concern**

The directors have considered the future trading position of the company and is confident that the going concern principle can be applied to the financial statements. This expectation also takes in to account the risks posed by Covid 19. The company's forecasts and projections, taking account reasonably the possible changes in trading performance as a result of Covid 19, show that the company should be able to operate within the level of its current facilities. The company has also secured additional funding to support them through the Covid pandemic.

#### **Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Government grants**

The company receives government grants in respect of COVID-19. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

**Judgements and key sources of estimation uncertainty**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year are addressed below. Useful economic lives of tangible assets  
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.  
Impairment of debtors The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows: Rendering of services When the outcome of a transaction can be estimated reliably, turnover from rendering of services is recognised by reference to the stage of completion at the balance sheet date. Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable. Sale of goods Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods. Interest receivable Interest income is recognised using the effective interest rate method.

## **Tax**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

### **Tangible assets**

Tangible assets are initially recorded at cost, and 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 equity, 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 equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity 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:

Plant & machinery	-	15% straight line
Fixtures & Fittings	-	10% straight line
Motor vehicles	-	25% straight line

## Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

## Work in progress

Work in progress has been valued at the lower of cost and net realisable value: in respect of work in progress and finished goods, cost includes a relevant proportion of materials and labour according to the stage of manufacture/completion. Operating leases Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

## Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

## 4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 43 (2020: 51 ).

## 5. TANGIBLE ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 May 2020	628,636	152,509	131,441	912,586
Additions	33,689	5,545	21,453	60,687
	-----	-----	-----	-----
<b>At 30 April 2021</b>	<b>662,325</b>	<b>158,054</b>	<b>152,894</b>	<b>973,273</b>
	-----	-----	-----	-----
<b>Depreciation</b>				
At 1 May 2020	204,480	93,424	74,492	372,396
Charge for the year	97,322	11,398	21,067	129,787
	-----	-----	-----	-----
<b>At 30 April 2021</b>	<b>301,802</b>	<b>104,822</b>	<b>95,559</b>	<b>502,183</b>
	-----	-----	-----	-----
<b>Carrying amount</b>				
<b>At 30 April 2021</b>	<b>360,523</b>	<b>53,232</b>	<b>57,335</b>	<b>471,090</b>
	-----	-----	-----	-----
At 30 April 2020	424,156	59,085	56,949	540,190
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## 6. STOCKS

	2021	2020
	£	£
Work in progress	290,077	173,300
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## 7. DEBTORS

	2021	2020
	£	£
Trade debtors	1,285,494	1,359,685
Other debtors	9,672	43,798
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	1,295,166	1,403,483
	-----	-----

## 8. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	35,991	–
Trade creditors	464,318	359,150
Amounts owed to group undertakings and undertakings in which the company has a participating interest	956,921	940,421
Corporation tax	8,348	–
Social security and other taxes	104,641	174,048
Other creditors	99,338	221,133
	-----	-----
	1,669,557	1,694,752
	-----	-----

The bank overdraft facility is secured by way of a fixed and floating charge over the assets of the company. The CBILs loan is secured by way of a £40,000 guarantee from the company's parent, Afon Holdings Limited. Obligations under finance leases and hire purchase contracts are secured by related assets. The aggregate of secured liabilities falling due within one year is £117,392 (2020: £63,293). Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## 9. CREDITORS: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	164,009	–
Other creditors	166,416	137,067
	-----	-----
	330,425	137,067
	-----	-----

The aggregate of secured liabilities falling due after one year is £330,425 (2020: £137,067).

## 10. CALLED UP SHARE CAPITAL

### Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	16,000	16,000	16,000	16,000
Ordinary A shares of £ 1 each	1	1	1	1
Ordinary B shares of £ 1 each	1	1	1	1
	-----	-----	-----	-----
	16,002	16,002	16,002	16,002
	-----	-----	-----	-----

## 11. SUMMARY AUDIT OPINION

The auditor's report for the year dated 18 August 2021 was unqualified.

The senior statutory auditor was Alison Jayne Uzzell FCCA , for and on behalf of James & Uzzell Ltd .

## 12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Included within other debtors at the year end is an amount of £544 (2020: £544) due to the company from the directors. No interest has been incurred in relation to this balance.

## 13. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions with related parties as follows: Other related parties

	2021	2020
	£	£
Balance owing from other related parties	5,000	5,000
	-----	-----
Rent paid to other related parties	105,000	105,000
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Exemption under Section 33.1A has been claimed to not disclose transactions for 100% group companies.

## 14. PARENT UNDERTAKING

The ultimate parent company is Afon Holdings Limited, a company registered in Great Britain.

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.