

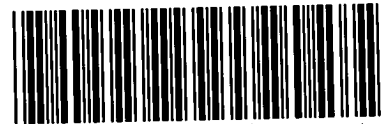
Registration number: NI060197

# Maine Surface Finishing Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

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## **Maine Surface Finishing Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

#### **Director of the company**

The directors who held office during the year were as follows:

Mr Adrian Dixon

Mrs Beverley Dixon

Mr Eugene Dixon

#### **Director's responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

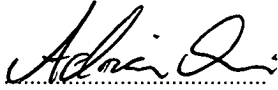
#### **Reappointment of auditors**

The auditors Stevenson and Wilson are deemed to be reappointed under section 487(2) of the Companies Act 2006.

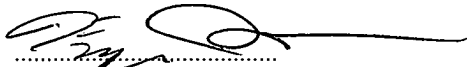
**Maine Surface Finishing Limited**

**Directors' Report for the Year Ended 31 December 2021**

Approved and authorised by the Board on 30 March 2022 and signed on its behalf by:



Mr Adrian Dixon  
Director



Mr Eugene Dixon  
Director

## Maine Surface Finishing Limited

### Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

#### Principal activities

The principal activities of the company include the provision of sub-contract fabrications and assembly services and application of industrial coatings.

#### Fair review of the business

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2021	2020
Turnover	£	21,594,163	10,131,928
Turnover movement	%	113	(33)
Gross profit margin	%	22	23
Profit / (loss) before tax	£	1,194,471	(518,656)

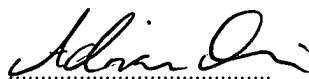
#### Principal risks and uncertainties

The board of directors are conscious of the financial risks arising from liquidity, credit, interest rate and exchange issues. These factors and their impact on the financial position of the company are regularly reviewed with controls implemented to reduce the exposure in these areas.

#### Research and development

The company continues to carry out research and development on a number of projects. These innovative projects will enable the company to continue to operate at the forefront of new technology.

Approved and authorised by the Board on 30 March 2022 and signed on its behalf by:



Mr Adrian Dixon  
Director



Mr Eugene Dixon  
Director

## **Maine Surface Finishing Limited**

### **Independent Auditor's Report to the Members of Maine Surface Finishing Limited**

#### **Opinion**

We have audited the financial statements of Maine Surface Finishing Limited (the 'company') for the year ended 31 December 2021, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Maine Surface Finishing Limited**

### **Independent Auditor's Report to the Members of Maine Surface Finishing Limited**

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Directors report on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor Responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## Maine Surface Finishing Limited

### Independent Auditor's Report to the Members of Maine Surface Finishing Limited

We identified the laws and regulations applicable to the company through discussions with directors and key personnel, and from our own knowledge and experience of the hospitality industry. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation, while also giving consideration to data protection regulations, employment law and health and safety legislation.

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and the team remained alert to the possibility of fraud and non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. We did so through discussions with management as to their assessment of areas where fraud or non-compliance might occur, as well as considering the internal controls in place to mitigate risks of fraud and non-compliance.

In order to ascertain the extent of compliance with the laws and regulations, we made enquiries of management as to whether there was any actual or potential litigation, we reviewed legal correspondence, we inspected tax correspondence and we performed analytical procedures to identify any unusual or unexpected activity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sean McIlhatton (Senior Statutory Auditor)  
For and on behalf of Stevenson and Wilson, Statutory Auditor

22-30 Broadway Avenue  
Ballymena  
Co. Antrim  
BT43 7AA

30 March 2022

## Maine Surface Finishing Limited

### Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Turnover	3	21,594,163	10,663,699
Cost of sales		<u>(16,895,277)</u>	<u>(8,272,855)</u>
Gross profit		4,698,886	2,390,844
Administrative expenses		(3,718,696)	(3,055,632)
Other operating income	4	<u>240,206</u>	<u>192,121</u>
Operating profit/(loss)	6	1,220,396	(472,667)
Interest payable and similar expenses	7	<u>(25,925)</u>	<u>(45,989)</u>
Profit/(loss) before tax		1,194,471	(518,656)
Tax on profit/(loss)	10	<u>-</u>	<u>333,881</u>
Profit/(loss) for the financial year		<u><u>1,194,471</u></u>	<u><u>(184,775)</u></u>

The above results were derived from continuing operations.

## Maine Surface Finishing Limited

### Statement of Comprehensive Income for the Year Ended 31 December 2021

	2021	2020
	£	£
Profit/(loss) for the year	1,194,471	(184,775)
Surplus on property, plant and equipment revaluation	<u>195,391</u>	<u>832,985</u>
Total comprehensive income for the year	<u><u>1,389,862</u></u>	<u><u>648,210</u></u>

**Maine Surface Finishing Limited**  
**(Registration number: NI060197)**  
**Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	11	2,645,529	2,897,333
<b>Current assets</b>			
Stocks	12	2,562,289	1,227,348
Debtors	13	4,756,266	3,021,206
Cash at bank and in hand		<u>1,047,507</u>	<u>1,815,702</u>
		8,366,062	6,064,256
<b>Creditors: Amounts falling due within one year</b>	15	<u>(4,082,593)</u>	<u>(3,368,633)</u>
<b>Net current assets</b>		<u>4,283,469</u>	<u>2,695,623</u>
<b>Total assets less current liabilities</b>		6,928,998	5,592,956
<b>Creditors: Amounts falling due after more than one year</b>	15	(851,793)	(584,222)
<b>Provisions for liabilities</b>	16	<u>-</u>	<u>(195,391)</u>
<b>Net assets</b>		<u>6,077,205</u>	<u>4,813,343</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Revaluation reserve		959,818	832,985
Profit and loss account		<u>5,117,287</u>	<u>3,980,258</u>
<b>Shareholders' funds</b>		<u>6,077,205</u>	<u>4,813,343</u>

Approved and authorised by the Board on 30 March 2022 and signed on its behalf by:



Mr Adrian Dixon  
Director



Mr Eugene Dixon  
Director

## Maine Surface Finishing Limited

### Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2021	100	832,985	3,980,258	4,813,343
Profit for the year	-	-	1,194,471	1,194,471
Other comprehensive income	-	126,833	68,558	195,391
Total comprehensive income	-	126,833	1,263,029	1,389,862
Dividends	-	-	(126,000)	(126,000)
At 31 December 2021	<u>100</u>	<u>959,818</u>	<u>5,117,287</u>	<u>6,077,205</u>

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2020	100	-	4,255,033	4,255,133
Loss for the year	-	-	(184,775)	(184,775)
Other comprehensive income	-	832,985	-	832,985
Total comprehensive income	-	832,985	(184,775)	648,210
Dividends	-	-	(90,000)	(90,000)
At 31 December 2020	<u>100</u>	<u>832,985</u>	<u>3,980,258</u>	<u>4,813,343</u>

The notes on pages 12 to 22 form an integral part of these financial statements.

## Maine Surface Finishing Limited

### Statement of Cash Flows for the Year Ended 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		1,194,471	(184,775)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	718,235	773,694
Profit on disposal of tangible assets	5	(25,037)	(43,400)
Finance costs	7	25,925	45,989
Income tax expense	10	-	(333,881)
		<u>1,913,594</u>	<u>257,627</u>
Working capital adjustments			
Increase in stocks	12	(1,334,941)	(562,989)
(Increase)/decrease in trade debtors	13	(1,735,060)	151,293
Increase in trade creditors	15	662,706	1,389,378
Net cash flow from operating activities		<u>(493,701)</u>	<u>1,235,309</u>
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(468,528)	(324,334)
Proceeds from sale of tangible assets		<u>27,134</u>	<u>58,683</u>
Net cash flows from investing activities		<u>(441,394)</u>	<u>(265,651)</u>
<b>Cash flows from financing activities</b>			
Interest paid	7	(25,925)	(45,989)
Proceeds from bank borrowing draw downs		700,000	-
Repayment of bank borrowing		(23,109)	(87,487)
Proceeds from other borrowing draw downs		-	59,018
Repayment of other borrowing		(358,066)	(395,895)
Dividends paid	20	<u>(126,000)</u>	<u>(90,000)</u>
Net cash flows from financing activities		<u>166,900</u>	<u>(560,353)</u>
Net (decrease)/increase in cash and cash equivalents		(768,195)	409,305
Cash and cash equivalents at 1 January		<u>1,815,702</u>	<u>1,406,397</u>
Cash and cash equivalents at 31 December		<u><u>1,047,507</u></u>	<u><u>1,815,702</u></u>

The notes on pages 12 to 22 form an integral part of these financial statements.

## **Maine Surface Finishing Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

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

The address of its registered office is:

42 Galdanagh Road

Dunloy

Co Antrim

BT44 9DB

Northern Ireland

These financial statements were authorised for issue by the Board on 30 March 2022.

#### **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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **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 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, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Tangible assets

Tangible assets (other than Land and Buildings) are stated in the balance sheet 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
Buildings	10% per annum straight line basis
Plant and machinery	25% per annum straight line basis
Motor vehicles	25% per annum straight line basis
Office equipment	25% per annum straight line basis

#### 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.

#### Short-term debtors and creditors

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 income statement in operating expenses.

#### Stock and work in progress

Stocks are stated at the lower of cost or 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.

#### 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.

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 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.

### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021	2020
	£	£
Sale of goods and services	21,594,163	10,131,928
CJRS grants received for direct employees	-	531,771
	<u>21,594,163</u>	<u>10,663,699</u>

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2021	2020
	£	£
Government grants including CJRS for indirect employees	115,874	158,951
Miscellaneous other operating income	124,332	33,170
	<u>240,206</u>	<u>192,121</u>

#### 5 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2021	2020
	£	£
Gain/loss on disposal of property, plant and equipment	<u>25,037</u>	<u>43,400</u>

#### 6 Operating profit/(loss)

Arrived at after charging/(crediting)

	2021	2020
	£	£
Depreciation expense	718,235	773,694
Profit on disposal of property, plant and equipment	<u>(25,037)</u>	<u>(43,400)</u>

#### 7 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and borrowings	1,778	5,883
Interest on obligations under finance leases and hire purchase contracts	24,147	40,106
	<u>25,925</u>	<u>45,989</u>

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 8 Staff costs

The aggregate payroll costs (including directors remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	5,537,166	3,742,832
Social security costs	525,841	342,271
Pension Costs	115,307	77,153
	<u>6,178,314</u>	<u>4,162,256</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021	2020
	No.	No.
Directors	3	3
Production	180	128
Administration and support	42	30
	<u>225</u>	<u>161</u>

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	<u>29,940</u>	<u>30,000</u>

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 10 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
<b>Current taxation</b>		
UK corporation tax	-	(182,463)
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>-</u>	<u>(151,418)</u>
Tax expense/(receipt) in the income statement	<u><u>-</u></u>	<u><u>(333,881)</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2020 - the same as the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit/(loss) before tax	<u>1,194,471</u>	<u>(518,656)</u>
Corporation tax at standard rate	226,949	(98,545)
Tax increase from effect of capital allowances and depreciation	7,690	39,842
Tax decrease from effect of adjustment in research and development tax credit	<u>(234,639)</u>	<u>(275,178)</u>
Total tax charge/(credit)	<u><u>-</u></u>	<u><u>(333,881)</u></u>

#### Deferred tax

Deferred tax assets and liabilities

	Liability £
<b>2020</b>	
Deferred tax - revaluation of property	<u>195,391</u>

**Maine Surface Finishing Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**11 Tangible assets**

	Land and buildings £	Plant and machinery £	Motor vehicles £	Office equipment £	Other property improvements £	Total £
<b>Cost or valuation</b>						
At 1 January 2021	1,730,000	2,774,459	594,655	318,436	143,860	5,561,410
Additions	-	206,868	-	62,479	199,181	468,528
Disposals	-	(115,031)	-	(83)	-	(115,114)
At 31 December 2021	<u>1,730,000</u>	<u>2,866,296</u>	<u>594,655</u>	<u>380,832</u>	<u>343,041</u>	<u>5,914,824</u>
<b>Depreciation</b>						
At 1 January 2021	-	2,027,504	370,516	208,126	57,931	2,664,077
Charge for the year	92,046	453,592	97,120	59,133	16,344	718,235
Eliminated on disposal	-	(113,014)	-	(3)	-	(113,017)
At 31 December 2021	<u>92,046</u>	<u>2,368,082</u>	<u>467,636</u>	<u>267,256</u>	<u>74,275</u>	<u>3,269,295</u>
<b>Carrying amount</b>						
At 31 December 2021	<u>1,637,954</u>	<u>498,214</u>	<u>127,019</u>	<u>113,576</u>	<u>268,766</u>	<u>2,645,529</u>
At 31 December 2020	<u>1,730,000</u>	<u>746,955</u>	<u>224,139</u>	<u>110,310</u>	<u>85,929</u>	<u>2,897,333</u>

Included within the net book value of land and buildings above is £1,637,954 (2020 - £1,730,000) in respect of freehold land and buildings.

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Revaluation

The fair value of the company's Land and Buildings was revalued on 31 December 2020 by an independent valuer.

The independent valuer used the comparable approach in arriving at their opinion of the market value together with their professional judgement.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £678,182 (2020 - £701,624).

#### 12 Stocks

	2021	2020
	£	£
Stock and work in progress	<u>2,562,289</u>	<u>1,227,348</u>

#### 13 Debtors

	2021	2020
	£	£
Trade debtors	3,474,515	1,694,797
Other debtors	1,236,928	1,276,231
Prepayments	<u>44,823</u>	<u>50,178</u>
Total current trade and other debtors	<u>4,756,266</u>	<u>3,021,206</u>

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 14 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	2,079	2,859
Cash at bank	<u>1,045,428</u>	<u>1,812,843</u>
	<u>1,047,507</u>	<u>1,815,702</u>

#### 15 Creditors

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings	19	421,240	369,986
Trade creditors		2,555,166	2,329,536
Directors current account	21	-	732
Social security and other taxes		889,099	455,188
Other payables		18,063	7,941
Accrued expenses		<u>199,025</u>	<u>205,250</u>
		<u>4,082,593</u>	<u>3,368,633</u>
<b>Due after one year</b>			
Loans and borrowings	19	<u>851,793</u>	<u>584,222</u>

#### 16 Provisions for liabilities

	Deferred tax £	Total £
At 1 January 2021	195,391	195,391
Increase (decrease) in existing provisions	<u>(195,391)</u>	<u>(195,391)</u>
At 31 December 2021	<u>-</u>	<u>-</u>

#### 17 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £115,307 (2020 - £77,153).

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 18 Share capital

##### Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

#### 19 Loans and borrowings

	2021	2020
	£	£
<b>Non-current loans and borrowings</b>		
Bank loans	643,200	59,960
Obligations under finance lease and hire purchase contracts	<u>208,593</u>	<u>524,262</u>
	<u>851,793</u>	<u>584,222</u>

	2021	2020
	£	£
<b>Current loans and borrowings</b>		
Bank loans	105,568	11,917
Obligations under finance lease and hire purchase contracts	<u>315,672</u>	<u>358,069</u>
	<u>421,240</u>	<u>369,986</u>

#### 20 Dividends

	2021	2020
	£	£
Dividend paid	<u>126,000</u>	<u>90,000</u>
	<u>126,000</u>	<u>90,000</u>

## Maine Surface Finishing Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 21 Related party transactions

The following balance was owed (to) / from the directors at the year end:

	2021	2020
	£	£
Directors Current account	104,165	(732)

#### Summary of transactions with other related parties

During the year the company entered into transactions with Premier Protective Coatings Ltd, a company controlled by the directors of Maine Surface Finishing Ltd. These transactions are as follows:

	2021	2020
	£	£
Sales to Premier Protective Coatings Ltd	1,583,635	1,038,503
Purchases from Premier Protective Coatings Ltd	512,815	344,122
Debtor owed from Premier Protective Coatings Ltd	890,403	1,058,492
Creditor owed to Premier Protective Coatings Ltd	194,098	168,601

Included in other debtors is £97,346 (2020: £107,346) owed from Maine Fabrication Ltd. This company is owned and controlled by Mr Adrian Dixon, a shareholder and director in Maine Surface Finishing Ltd.