

Bowyer Engineering Limited

Unaudited Filleted Financial Statements

for the Year Ended 31 March 2023

Bowyer Engineering Limited

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Balance Sheet

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Bowyer Engineering Limited
(Registration number: 00408828)
Balance Sheet as at 31 March 2023

| | Note | 2023 £ | 2022 £ |
|--|-------------------|-------------|-------------|
| Fixed assets | | | |
| Tangible assets | 5 | 1,284,193 | 1,434,180 |
| Current assets | | | |
| Stocks | 6 | 819,614 | 877,763 |
| Debtors | 7 | 1,030,896 | 772,508 |
| Cash at bank and in hand | | 20,159 | 20,070 |
| | | 1,870,669 | 1,670,341 |
| Creditors: Amounts falling due within one year | 8 | (1,124,918) | (1,055,422) |
| Net current assets | | 745,751 | 614,919 |
| Total assets less current liabilities | | 2,029,944 | 2,049,099 |
| Creditors: Amounts falling due after more than one year | 8 | (126,691) | (190,175) |
| Provisions for liabilities | | (224,460) | (258,214) |
| Net assets | | 1,678,793 | 1,600,710 |
| Capital and reserves | | | |
| Called up share capital | 9 | 100,000 | 100,000 |
| Retained earnings | | 1,578,793 | 1,500,710 |
| Shareholders' funds | | 1,678,793 | 1,600,710 |

For the financial year ending 31 March 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 special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 21 December 2023 and signed on its behalf by:

.....

J W P Bowyer
Director

The notes on pages [2](#) to [9](#) form an integral part of these financial statements.

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

1 General information

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

The address of its registered office is:

South Way
Walworth Ind Estate
Andover
Hampshire
SP10 5AF

These financial statements were authorised for issue by the Board on 21 December 2023.

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.

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax and adjusted for opening and closing payments in advance.

Contract revenue recognition

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. Provisions are made for any foreseeable losses where appropriate.

Government grants

Government grants in relation to tangible fixed asset are credited to profit and loss account over the useful lives of the related assets, whereas those in relation to expenditure are credited when the expenditure is charged to profit and loss.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Tax

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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 |
| Motor vehicles | 25% reducing balance |
| Long leasehold | over unexpired term of lease expiring 2068 |
| Computer equipment | 25% on cost |
| Office equipment and fixtures | 20% reducing balance |

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.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to sell. In respect of work in progress and finished goods, cost includes a relevant proportion of overheads according to the stage of manufacture/completion.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 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 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

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Property, plant and equipment acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Defined contribution pension obligation

The company operates a defined contribution scheme for the benefit of its employees. Contributions are recognised in profit and loss account when due.

Financial instruments

Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 39 (2022 - 39).

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

4 Taxation

Tax charged/(credited) in the profit and loss account

| | 2023 | 2022 |
|---|-----------------|-----------------|
| | £ | £ |
| Current taxation | | |
| UK corporation tax | - | (62,191) |
| Deferred taxation | | |
| Arising from origination and reversal of timing differences | (33,754) | 26,805 |
| Tax receipt in the income statement | <u>(33,754)</u> | <u>(35,386)</u> |

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2022 - the same as the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

| | 2023 | 2022 |
|---|-----------------|------------------|
| | £ | £ |
| Profit/(loss) before tax | <u>44,329</u> | <u>(394,092)</u> |
| Corporation tax at standard rate | 8,422 | (74,877) |
| Effect of expense not deductible in determining taxable profit (tax loss) | 4,410 | (742) |
| Tax increase from effect of capital allowances and depreciation | 24,650 | 34,019 |
| Tax (decrease)/increase from other short-term timing differences | (33,754) | 26,805 |
| Tax decrease from effect of adjustment in research and development tax credit | <u>(37,482)</u> | <u>(20,591)</u> |
| Total tax credit | <u>(33,754)</u> | <u>(35,386)</u> |

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

5 Tangible assets

| | Land and buildings £ | Furniture, fittings and equipment £ | Motor vehicles £ | Other tangible assets £ | Total £ |
|--------------------------|----------------------------|--|---------------------|-------------------------------|------------|
| Cost or valuation | | | | | |
| At 1 April 2022 | 615,000 | 235,294 | 30,814 | 2,459,401 | 3,340,509 |
| Additions | - | 5,719 | - | 38,918 | 44,637 |
| At 31 March 2023 | 615,000 | 241,013 | 30,814 | 2,498,319 | 3,385,146 |
| Depreciation | | | | | |
| At 1 April 2022 | 25,625 | 184,639 | 23,355 | 1,672,710 | 1,906,329 |
| Charge for the year | 12,813 | 22,296 | 1,867 | 157,648 | 194,624 |
| At 31 March 2023 | 38,438 | 206,935 | 25,222 | 1,830,358 | 2,100,953 |
| Carrying amount | | | | | |
| At 31 March 2023 | 576,562 | 34,078 | 5,592 | 667,961 | 1,284,193 |
| At 31 March 2022 | 589,375 | 50,655 | 7,459 | 786,691 | 1,434,180 |

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Impairment

Leasehold Property

The company leasehold property was valued by professional valuers on the 20 January 2020 at a value of £615,000 this has resulted in impairment of the property down to its market value.

Included within the net book value of land and buildings above is £576,562 (2022 - £589,375) in respect of long leasehold land and buildings.

6 Stocks

| | 2023 | 2022 |
|-------------------|----------------|----------------|
| | £ | £ |
| Work in progress | 394,344 | 477,705 |
| Other inventories | 425,270 | 400,058 |
| | <u>819,614</u> | <u>877,763</u> |

7 Debtors

| | 2023 | 2022 |
|---------------|------------------|----------------|
| | £ | £ |
| Trade debtors | 856,540 | 548,366 |
| Prepayments | 130,763 | 99,296 |
| Other debtors | 43,593 | 124,846 |
| | <u>1,030,896</u> | <u>772,508</u> |

8 Creditors

Creditors: amounts falling due within one year

| | 2023 | 2022 |
|------------------------------|--------------------|------------------|
| | £ | £ |
| | Note | |
| Due within one year | | |
| Loans and borrowings | 11 | 382,557 |
| Trade creditors | | 337,154 |
| Taxation and social security | | 430,321 |
| Accruals and deferred income | | 260,188 |
| Other creditors | | 98,000 |
| | | 123,708 |
| | | 110,290 |
| | | 103,750 |
| | | 225,324 |
| | | <u>1,124,918</u> |
| | | <u>1,055,422</u> |

Bank loans and overdrafts on which security has been given by the company have a carrying amount of £290,369 (2022 - £277,495).

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Creditors: amounts falling due after more than one year

| | Note | 2023 £ | 2022 £ |
|---------------------------|--------------------|----------------|----------------|
| Due after one year | | | |
| Loans and borrowings | 11 | 122,837 | 184,831 |
| Deferred income | | 3,854 | 5,344 |
| | | <u>126,691</u> | <u>190,175</u> |

9 Share capital

Allotted, called up and fully paid shares

| | 2023 | | 2022 | |
|----------------------------|---------|---------|---------|---------|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 100,000 | 100,000 | 100,000 | 100,000 |

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £798,750 (2022 - £816,500).

11 Loans and borrowings

| | 2023 £ | 2022 £ |
|---|----------------|----------------|
| Non-current loans and borrowings | | |
| Bank borrowings | 38,887 | 44,444 |
| Hire purchase contracts | 83,950 | 140,387 |
| | <u>122,837</u> | <u>184,831</u> |

| | 2023 £ | 2022 £ |
|-------------------------------------|-----------|-----------|
| Current loans and borrowings | | |
| Bank borrowings | 5,751 | 5,556 |
| Bank overdrafts | 290,369 | 277,495 |

Hire purchase contracts
Other borrowings

| | |
|-----------------------|-----------------------|
| 56,437 | 54,103 |
| <u>30,000</u> | <u>-</u> |
| <u><u>382,557</u></u> | <u><u>337,154</u></u> |

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Other borrowings

The carrying amount of Finance lease and hire purchase contracts at year end is £140,387 (2022 - £194,490).

Secured by certain plant and machinery