

Bowyer Engineering Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2022

Bowyer Engineering Limited

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Bowyer Engineering Limited
(Registration number: 00408828)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	1,434,180	1,637,756
Current assets			
Stocks	6	877,763	492,390
Debtors	7	772,508	876,412
Cash at bank and in hand		20,070	64,394
		1,670,341	1,433,196
Creditors: Amounts falling due within one year	8	(1,055,422)	(678,351)
Net current assets		614,919	754,845
Total assets less current liabilities		2,049,099	2,392,601
Creditors: Amounts falling due after more than one year	8	(190,175)	(201,777)
Provisions for liabilities		(258,214)	(231,408)
Net assets		1,600,710	1,959,416
Capital and reserves			
Called up share capital	9	100,000	100,000
Retained earnings		1,500,710	1,859,416
Shareholders' funds		1,600,710	1,959,416

The notes on pages [3](#) to [10](#) form an integral part of these financial statements.

Bowyer Engineering Limited
(Registration number: 00408828)
Balance Sheet as at 31 March 2022

For the financial year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 14 December 2022 and signed on its behalf by:

.....

J W P Bowyer
Director

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.

The notes on pages 3 to 10 form an integral part of these financial statements.

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

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 14 December 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 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.

Going concern

The financial statements have been prepared on a going concern basis due to the continuing support of the directors.

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.

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

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.

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.

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

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.

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 (2021 - 38).

4 Taxation

Tax charged/(credited) in the income statement

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

	2022	2021
	£	£
Current taxation		
UK corporation tax	(62,191)	(93,634)
Deferred taxation		
Arising from origination and reversal of timing differences	26,805	52,408
	(35,386)	(41,226)
	(35,386)	(41,226)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022	2021
	£	£
(Loss)/profit before tax	(394,092)	1,879
Corporation tax at standard rate	(74,877)	357
Effect of expense not deductible in determining taxable profit (tax loss)	(742)	(9,390)
Effect of tax losses	-	(33,778)
Tax increase/(decrease) from effect of capital allowances and depreciation	34,019	(19,631)
Tax increase from other short-term timing differences	26,805	52,408
Tax decrease from effect of adjustment in research and development tax credit	(20,591)	(31,192)
	(35,386)	(41,226)
Total tax credit	(35,386)	(41,226)

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

5 tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 April 2021	615,000	230,227	30,814	2,434,401	3,310,442
Additions	-	5,067	-	25,000	30,067
At 31 March 2022	615,000	235,294	30,814	2,459,401	3,340,509
Depreciation					
At 1 April 2021	12,813	159,061	20,864	1,479,948	1,672,686
Charge for the year	12,812	25,578	2,491	192,762	233,643
At 31 March 2022	25,625	184,639	23,355	1,672,710	1,906,329
Carrying amount					
At 31 March 2022	589,375	50,655	7,459	786,691	1,434,180
At 31 March 2021	602,187	71,166	9,950	954,453	1,637,756

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

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 £589,375 (2021 - £602,187) in respect of long leasehold land and buildings.

6 Stocks

	2022	2021
	£	£
Work in progress	477,705	136,957
Other inventories	400,058	355,433
	<u>877,763</u>	<u>492,390</u>

7 Debtors

Current

	2022	2021
	£	£
Trade debtors	548,366	558,187
Prepayments	99,296	82,948
Other debtors	124,846	235,277
	<u>772,508</u>	<u>876,412</u>

8 Creditors

Creditors: amounts falling due within one year

	2022	2021
	£	£
	Note	
Due within one year		
Loans and borrowings	11	337,154
Trade creditors		101,768
Taxation and social security		228,485
Accruals and deferred income		123,708
Other creditors		185,945
		109,048
		225,324
		<u>68,411</u>
		<u>1,055,422</u>
		<u>678,351</u>

Bank loans and overdrafts on which security has been given by the company have a carrying amount of £277,495 (2021 - Nil).

Bowyer Engineering Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

2022
£

2021
£

Current loans and borrowings

Bank borrowings	5,556	50,000
Bank overdrafts	277,495	-
Hire purchase contracts	54,103	51,768
	<hr/>	<hr/>
	337,154	101,768
	<hr/> <hr/>	<hr/> <hr/>

Other borrowings

The carrying amount of Finance lease and hire purchase contracts at year end is £194,490 (2021 - £246,258).

Secured by certain plant and machinery