

Applied Engineering Services Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2016

Shaikh & Co Ltd
Chartered Certified Accountants
10 Decimus Park
Kingstanding Way
Tunbridge Wells
Kent
TN2 3GP

Applied Engineering Services Ltd

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Applied Engineering Services Ltd

Company Information

Director R Cox

Company secretary R Cox

Registered office 10 Decimus Park
Kingstanding Way
Tunbridge Wells
Kent
TN2 3GP

Accountants Shaikh & Co Ltd
Chartered Certified Accountants
10 Decimus Park
Kingstanding Way
Tunbridge Wells
Kent
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**Chartered Certified Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Applied Engineering Services Ltd
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Applied Engineering Services Ltd for the year ended 31 December 2016 as set out on pages 3 to 8 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/gb/en/discover/public-valuc/rulbook.html>.

This report is made solely to the Board of Directors of Applied Engineering Services Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Applied Engineering Services Ltd and state those matters that we have agreed to state to the Board of Directors of Applied Engineering Services Ltd, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2009/october/factsheet-163-audit-exempt-companies.html>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Applied Engineering Services Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Applied Engineering Services Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Applied Engineering Services Ltd. You consider that Applied Engineering Services Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Applied Engineering Services Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Shaikh & Co Ltd
Chartered Certified Accountants
10 Decimus Park
Kingstanding Way
Tunbridge Wells
Kent
TN2 3GP

28 September 2017

Applied Engineering Services Ltd
(Registration number: 03847613)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>5</u>	22,640	29,234
Current assets			
Debtors	<u>6</u>	51,701	20,910
Cash at bank and in hand		13,574	30,795
		65,275	51,705
Creditors: Amounts falling due within one year	<u>7</u>	(78,496)	(63,150)
Net current liabilities		(13,221)	(11,445)
Total assets less current liabilities		9,419	17,789
Creditors: Amounts falling due after more than one year	<u>7</u>	(3,134)	(9,057)
Provisions for liabilities		(4,527)	(5,846)
Net assets		<u>1,758</u>	<u>2,886</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,658	2,786
Total equity		<u>1,758</u>	<u>2,886</u>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 director on 28 September 2017

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R Cox

Director

The notes on pages 4 to 8 form an integral part of these financial statements.

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Applied Engineering Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

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

The address of its registered office is:

10 Decimus Park
Kingstanding Way
Tunbridge Wells
Kent
TN2 3GP

The principal place of business is:

61 Forest Road
Paddock Wood
Kent
TN12 6JU

These financial statements were authorised for issue by the director on 28 September 2017.

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

Applied Engineering Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2016

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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	25% reducing balance
Commercial motor vehicles	25% reducing balance
Office equipment	25% 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.

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.

Applied Engineering Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2016

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

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 2 (2015 - 2).

4 Profit before tax

Arrived at after charging/(crediting)

Depreciation expense

2016	2015
£	£
7,547	9,745

Applied Engineering Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2016

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 January 2016	3,272	67,058	10,620	80,950
Additions	395	-	558	953
At 31 December 2016	3,667	67,058	11,178	81,903
Depreciation				
At 1 January 2016	1,924	45,305	4,487	51,716
Charge for the year	436	5,438	1,673	7,547
At 31 December 2016	2,360	50,743	6,160	59,263
Carrying amount				
At 31 December 2016	1,307	16,315	5,018	22,640
At 31 December 2015	1,348	21,753	6,133	29,234

6 Debtors

	2016 £	2015 £
Trade debtors	51,701	20,910
Total current trade and other debtors	51,701	20,910

7 Creditors

	Note	2016 £	2015 £
Due within one year			
Bank loans and overdrafts	8	5,923	5,923
Trade creditors		14,039	10,681
Amounts owed to group undertakings and undertakings in which the company has a participating interest		28,655	12,222
Taxation and social security		362	555
Other creditors		29,517	33,769
		78,496	63,150

Due after one year

Loans and borrowings

<u>8</u>	<u>3,134</u>	<u>9,057</u>
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Applied Engineering Services Ltd

Notes to the Financial Statements for the Year Ended 31 December 2016

8 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Finance lease liabilities	3,134	9,057

	2016 £	2015 £
Current loans and borrowings		
Finance lease liabilities	5,923	5,923

9 Transition to FRS 102

This is the first year of adoption of FRS102. The transition date is 1 January 2015.

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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.