

Company registration number: 04493668

A & B Electrics Limited

Unaudited filleted financial statements

31 August 2020

A & B Electrics Limited

Contents

Directors and other information

Accountants report

Statement of financial position

Notes to the financial statements

A & B Electrics Limited

Directors and other information

Directors	P.W. Rees	(Resigned 2 March 2020)
	C.A. Rees	(Resigned 2 March 2020)
	B.P. Rees	
Secretary	C.A. Rees	
Company number	04493668	
Registered office	346A Birchgrove Road Birchgrove Swansea West Glamorgan SA7 9NN	
Business address	346A Birchgrove Road Birchgrove Swansea West Glamorgan SA7 9NN	
Accountants	Morgan Hemp 103-104 Walter Road Swansea SA1 5QF	

Bankers

Barclays Bank Plc
Swansea

A & B Electrics Limited

Report to the board of directors on the preparation of the unaudited statutory financial statements of A & B Electrics Limited Year ended 31 August 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A & B Electrics Limited for the year ended 31 August 2020 which comprise the statement of financial position and related notes 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/en/member/professional-standards/rules-standards/acca-rulebook.html>.

This report is made solely to the board of directors of A & B Electrics Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of A & B Electrics Limited and state those matters that we have agreed to state to the board of directors of A & B Electrics Limited 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/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A & B Electrics Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that A & B Electrics Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A & B Electrics Limited. You consider that A & B Electrics Limited 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 financial statements of A & B Electrics Limited. 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 financial statements.

Morgan Hemp

Chartered Certified Accountants

103-104 Walter Road

Swansea

SA1 5QF

7 April 2021

A & B Electrics Limited

Statement of financial position

31 August 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	5	3,000		4,500	
		<u> </u>	3,000	<u> </u>	4,500
Current assets					
Stocks		30,567		8,072	
Debtors	7	23,312		27,144	
Cash at bank and in hand		37,594		17,128	
		<u> </u>		<u> </u>	
		91,473		52,344	
Creditors: amounts falling due within one year	8	(36,582)		(33,090)	
		<u> </u>		<u> </u>	
Net current assets			54,891		19,254
			<u> </u>		<u> </u>
Total assets less current liabilities			57,891		23,754
Creditors: amounts falling due after more than one year	9		(57,500)		(30,000)
			<u> </u>		<u> </u>
Net assets/(liabilities)			391		(6,246)
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital			100		100
Profit and loss account			291		(6,346)
			<u> </u>		<u> </u>
Shareholders funds/(deficit)			391		(6,246)
			<u> </u>		<u> </u>

For the year ending 31 August 2020 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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.

These financial statements were approved by the board of directors and authorised for issue on 07 April 2021 , and are signed on behalf of the board by:

B.P. Rees

Director

Company registration number: 04493668

A & B Electrics Limited

Notes to the financial statements

Year ended 31 August 2020

1. General information

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is 346A Birchgrove Road, Birchgrove, Swansea, West Glamorgan, SA7 9NN.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit

of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

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

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 4 (2019: 4).

5. Intangible assets

	Goodwill £	Total £
Cost		
At 1 September 2019 and 31 August 2020	30,000	30,000
Amortisation		
At 1 September 2019	25,500	25,500
Charge for the year	1,500	1,500
At 31 August 2020	27,000	27,000
Carrying amount		
At 31 August 2020	3,000	3,000
At 31 August 2019	4,500	4,500

6. Tangible assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 September 2019 and 31 August 2020	555	2,783	3,338
Depreciation			
At 1 September 2019 and 31 August 2020	555	2,783	3,338
Carrying amount			
At 31 August 2020	-	-	-
At 31 August 2019	-	-	-

7. Debtors

	2020 £	2019 £
Trade debtors	11,561	15,578
Other debtors	11,751	11,566
	23,312	27,144

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	17,156	14,569
Corporation tax	-	54
Social security and other taxes	1,890	4,030
Other creditors	17,536	14,437
	<u>36,582</u>	<u>33,090</u>

9. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	27,500	-
Other creditors	30,000	30,000
	<u>57,500</u>	<u>30,000</u>

10. Related party transactions

At the end of the year the directors were owed £33,368(2019:£33,283)

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.