

Registration number: 4500487

# AC Electrical Services (NW) Ltd

Annual Report and Unaudited Financial Statements

for the Year Ended 31 January 2017

Giles Hewitt & Co Ltd  
Chartered Certified Accountants  
257 Clifton Dr South  
St Annes on Sea  
Lytham St Annes  
Lancashire  
FY8 1HW



# **AC Electrical Services (NW) Ltd**

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## **AC Electrical Services (NW) Ltd**

### **Company Information**

<b>Directors</b>	Mr Andrew Cumpsty Mrs Rachel Cumpsty
<b>Registered office</b>	Unit 3 Denham Way Fleetwood Lancashire FY7 6PR
<b>Accountants</b>	Giles Hewitt & Co Ltd Chartered Certified Accountants 257 Clifton Dr South St Annes on Sea Lytham St Annes Lancashire FY8 1HW

**Chartered Certified Accountants' Report to the Board of Directors on the Preparation  
of the Unaudited Statutory Accounts of  
AC Electrical Services (NW) Ltd  
for the Year Ended 31 January 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of AC Electrical Services (NW) Ltd for the year ended 31 January 2017 as set out on pages 3 to 12 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-value/rulebook.html>.

This report is made solely to the Board of Directors of AC Electrical Services (NW) Ltd, as a body, in accordance with the terms of our engagement letter dated 10 April 2012. Our work has been undertaken solely to prepare for your approval the accounts of AC Electrical Services (NW) Ltd and state those matters that we have agreed to state to the Board of Directors of AC Electrical Services (NW) 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 AC Electrical Services (NW) Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that AC Electrical Services (NW) 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 AC Electrical Services (NW) Ltd. You consider that AC Electrical Services (NW) 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 AC Electrical Services (NW) 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.

*Giles Hewitt & Co Ltd*

Giles Hewitt & Co Ltd  
Chartered Certified Accountants  
257 Clifton Dr South  
St Annes on Sea  
Lytham St Annes  
Lancashire  
FY8 1HW

20 October 2017

**AC Electrical Services (NW) Ltd**  
**(Registration number: 4500487)**  
**Balance Sheet as at 31 January 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	-	1,242
Tangible assets	5	145,761	184,857
Investment property	6	1,381,389	370,000
		<u>1,527,150</u>	<u>556,099</u>
<b>Current assets</b>			
Stocks	7	15,707	19,607
Debtors	8	1,224,158	744,759
Cash at bank and in hand		3,761,774	4,999,373
		<u>5,001,639</u>	<u>5,763,739</u>
<b>Creditors: Amounts falling due within one year</b>	9	<u>(1,687,296)</u>	<u>(1,711,625)</u>
<b>Net current assets</b>		<u>3,314,343</u>	<u>4,052,114</u>
<b>Total assets less current liabilities</b>		4,841,493	4,608,213
<b>Provisions for liabilities</b>		<u>(24,026)</u>	<u>(31,220)</u>
<b>Net assets</b>		<u>4,817,467</u>	<u>4,576,993</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		4,817,367	4,576,893
<b>Total equity</b>		<u>4,817,467</u>	<u>4,576,993</u>

**AC Electrical Services (NW) Ltd**  
**(Registration number: 4500487)**  
**Balance Sheet as at 31 January 2017**

For the financial year ending 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

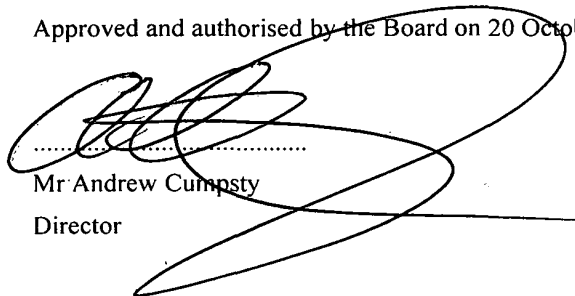
**Directors' responsibilities:**

- 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20 October 2017 and signed on its behalf by:



.....  
Mr Andrew Cumpsty  
Director

## AC Electrical Services (NW) Ltd

### Notes to the Financial Statements for the Year Ended 31 January 2017

#### 1 General information

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

The address of its registered office is:

Unit 3  
Denham Way  
Fleetwood  
Lancashire  
FY7 6PR

These financial statements were authorised for issue by the Board on 20 October 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.

##### 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 investment property and land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold property	over 7 years less 1 day on cost
Plant and machinery	at 25% on net book value
Motor vehicles	at 25% on net book value
Office equipment	over 3 years on cost

##### Investment property

Investment property is carried at fair value. During construction and at the end of the year of acquisition and/or self construction fair value is taken to be the cost of acquisition and work done. In subsequent years, fair value is derived from the current market prices for comparable real estate determined annually by the company's directors. The directors use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

Investment property is considered to be property held to earn rentals or for capital appreciation or both (rather than for occupation by the company or for sale in the ordinary course of business).

## AC Electrical Services (NW) Ltd

### Notes to the Financial Statements for the Year Ended 31 January 2017

#### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 5 years on cost
Licences	over 5 years on cost

#### 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 are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

#### 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.



## **AC Electrical Services (NW) Ltd**

### **Notes to the Financial Statements for the Year Ended 31 January 2017**

#### **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.

#### **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 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 49 (2016 - 50).

### **4 Intangible assets**

# AC Electrical Services (NW) Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

	Goodwill £	Licences £	Total £
<b>Cost or valuation</b>			
At 1 February 2016	40,000	6,776	46,776
At 31 January 2017	40,000	6,776	46,776
<b>Amortisation</b>			
At 1 February 2016	40,000	5,534	45,534
Amortisation charge	-	1,242	1,242
At 31 January 2017	40,000	6,776	46,776
<b>Carrying amount</b>			
At 31 January 2017	-	-	-
At 31 January 2016	-	1,242	1,242

### 5 Tangible assets

	Land and buildings £	Furniture, fittings and office equipment £	Motor vehicles £	Plant and equipment £
<b>Cost or valuation</b>				
At 1 February 2016	217,987	37,800	342,092	30,832
Additions	-	-	51,705	575
Disposals	-	-	(26,200)	-
At 31 January 2017	217,987	37,800	367,597	31,407
<b>Depreciation</b>				
At 1 February 2016	217,985	35,288	166,835	23,746
Charge for the year	-	2,511	82,486	1,796
Eliminated on disposal	-	-	(21,617)	-
At 31 January 2017	217,985	37,799	227,704	25,542
<b>Carrying amount</b>				
At 31 January 2017	2	1	139,893	5,865
At 31 January 2016	2	2,512	175,257	7,086

## AC Electrical Services (NW) Ltd

### Notes to the Financial Statements for the Year Ended 31 January 2017

	Total £
<b>Cost or valuation</b>	
At 1 February 2016	628,711
Additions	52,280
Disposals	<u>(26,200)</u>
At 31 January 2017	<u>654,791</u>
<b>Depreciation</b>	
At 1 February 2016	443,854
Charge for the year	86,793
Eliminated on disposal	<u>(21,617)</u>
At 31 January 2017	<u>509,030</u>
<b>Carrying amount</b>	
At 31 January 2017	<u>145,761</u>
At 31 January 2016	<u>184,857</u>

Included within the net book value of land and buildings above is £2 (2016 - £2) in respect of short leasehold land and buildings.

#### **Impairment**

##### **Motor vehicles**

The directors have undertaken a review of the carrying values of the company's motor vehicles in the light of those motor vehicles use to date, estimated remaining useful lives and residual values. As a consequence of their review, the directors believe that an impairment should be recognised in the year. The amount of impairment loss included in profit or loss is £31,375 (2016 - £Nil). The impairment loss is included in Motor vehicles depreciation.

## **6 Investment properties**

	2017 £
At 1 February	370,000
Additions	<u>1,011,389</u>
At 31 January	<u>1,381,389</u>

Investment property is carried at fair value. During construction and at the end of the year of acquisition and/or self construction fair value is taken to be the cost of acquisition and work done. In subsequent years, fair value is derived from current market prices for comparable real estate determined annually by the company's directors. The directors use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Any gain or deficit arising from a change in value is charged to the profit and loss account.

There has been no valuation of investment property by an independent valuer.

# AC Electrical Services (NW) Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

### 7 Stocks

	2017 £	2016 £
Other inventories	<u>15,707</u>	<u>19,607</u>

### 8 Debtors

	2017 £	2016 £
Trade debtors	961,853	468,762
Other debtors	200	1,750
Prepayments	35,044	27,053
Gross amount due from customers for contract work	<u>227,061</u>	<u>247,194</u>
Total current trade and other debtors	<u>1,224,158</u>	<u>744,759</u>

### 9 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	10	175,244	565,098
Trade creditors		534,578	313,634
Taxation and social security		281,300	229,726
Corporation tax		278,015	415,921
Accruals and prepaid income		373,576	143,279
Other creditors		44,583	30,512
Gross amount due to customers for contract work		<u>-</u>	<u>13,455</u>
		<u>1,687,296</u>	<u>1,711,625</u>

# AC Electrical Services (NW) Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

### 10 Loans and borrowings

	2017 £	2016 £
<b>Current loans and borrowings</b>		
Directors' loan accounts	<u>175,244</u>	<u>565,098</u>

### 11 Related party transactions

#### Key management compensation

	2017 £	2016 £
Salaries and other short term employee benefits	<u>40,928</u>	<u>40,104</u>

#### Transactions with directors

#### Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	40,928	40,104
Contributions paid to money purchase schemes	<u>-</u>	<u>80,000</u>
	<u>40,928</u>	<u>120,104</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

#### Other transactions with directors

Mr A Cumpsty is the owner of the land on which the company's leasehold property is situated. The land is let to the company rent free.

## **AC Electrical Services (NW) Ltd**

### **Notes to the Financial Statements for the Year Ended 31 January 2017**

#### **12 Parent and ultimate parent undertaking**

The company's immediate parent is AC Electrical Services Group Ltd, incorporated in England.

The most senior parent entity producing publicly available financial statements is AC Electrical Services Group Ltd. These financial statements are available upon request from Companies House Cardiff