

Company Registration No. 05718298 (England and Wales)

A & M ELECTRICALS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017
PAGES FOR FILING WITH REGISTRAR

A & M ELECTRICALS LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

A & M ELECTRICALS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		33,674		46,859
Current assets					
Stocks		70,149		61,418	
Debtors	4	488,107		525,668	
Cash at bank and in hand		332,738		325,510	
		<u>890,994</u>		<u>912,596</u>	
Creditors: amounts falling due within one year	5	<u>(279,967)</u>		<u>(323,334)</u>	
Net current assets			611,027		589,262
Total assets less current liabilities			644,701		636,121
Provisions for liabilities			<u>(6,398)</u>		<u>(9,132)</u>
Net assets			<u>638,303</u>		<u>626,989</u>
Capital and reserves					
Called up share capital	6	150,004		150,004	
Profit and loss reserves		488,299		476,985	
Total equity			<u>638,303</u>		<u>626,989</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

A & M ELECTRICALS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2017

The financial statements were approved by the board of directors and authorised for issue on 24 May 2018 and are signed on its behalf by:

P O'Donnell
Director

A Smiles (Senior)
Director

Company Registration No. 05718298

A & M ELECTRICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Company information

A & M Electricals Limited is a private company limited by shares incorporated in England and Wales. The registered office is 17 Pennine Parade, Pennine Drive, London, NW2 1NT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 August 2017 are the first financial statements of A & M Electricals Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Profit is recognised on long-term contracts, if the outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that portion of total contract value which costs to date bear to total expected costs for that contract.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	Straight line over life of lease
Plant and machinery	25% Reducing Balance
Motor vehicles	25% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

A & M ELECTRICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Work in progress is reflected in the accounts on a contract by contract basis and represents the unbilled direct and indirect costs incurred as at the year end. These typically arise where invoices are raised mid month and a time apportioned estimate of the cost of measured work has been calculated.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

A & M ELECTRICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2016 - 20).

A & M ELECTRICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 September 2016 and 31 August 2017	23,974	114,626	138,600
Depreciation and impairment			
At 1 September 2016	22,774	68,966	91,740
Depreciation charged in the year	1,200	11,986	13,186
At 31 August 2017	23,974	80,952	104,926
Carrying amount			
At 31 August 2017	-	33,674	33,674
At 31 August 2016	1,199	45,660	46,859

Plant & machinery with a net carrying amount of £0 (2016 - £3,338) have been pledged to secure finance lease borrowings of the company. The company is not allowed to pledge these assets as security for other borrowing or to sell them to another entity, unless otherwise agreed with the lender or until the liability is settled.

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	471,611	376,422
Other debtors	5,764	139,228
Prepayments and accrued income	10,732	10,018
	488,107	525,668

A & M ELECTRICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	47,600	65,744
Other taxation and social security	170,308	185,384
Other creditors	62,059	72,206
	<u>279,967</u>	<u>323,334</u>

Included in other creditors are obligations under finance leases falling due within one year amounting to £ 0 (2016 - £1,912) that are secured.

There is a Debenture dated the 18th April 2013 in favour of Pod-Trak Limited, to secure lending facilities. This comprises fixed and floating charges over the undertaking, together with the freehold and leasehold property, now or in the future, all Intellectual property, future patents, trade marks, service marks, trade names, designs, copyrights, domains, inventions or similar rights.

6 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
4 Ordinary shares of £1 each	4	4
	<u>4</u>	<u>4</u>
Preference share capital		
Issued and fully paid		
150,000 Preference Shares of £1 each	150,000	150,000
	<u>150,000</u>	<u>150,000</u>

The company has one class of ordinary shares and one class of preference shares, which carry no right to fixed income.

Preference shares have no rights in the company with respect to voting, but have a preferential right in respect of dividends and capital distribution on a liquidation.

7 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>52,000</u>	<u>53,000</u>

A & M ELECTRICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7	Related party transactions	(Continued)	
The following amounts were outstanding at the reporting end date:			
		2017	2016
	Amounts owed to related parties	£	£
	Key management personnel	1,031	1,094

8 Directors' transactions

Dividends totalling £195,000 (2016 - £254,069) were paid in the year in respect of shares held by the company's directors.

The amounts owed to Key Management Personnel are interest free, unsecured and repayable on demand.

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.