

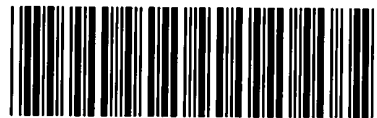
# **AJH Pump Supply & Repair Limited**

Registered number: 06897702

## **Unaudited financial statements**

**For the year ended 31 March 2017**

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# AJH PUMP SUPPLY & REPAIR LIMITED

Registered number: 06897702

## BALANCE SHEET AS AT 31 MARCH 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	450,000	600,000
Tangible assets	5	76,352	116,776
		<u>526,352</u>	<u>716,776</u>
<b>Current assets</b>			
Stocks	6	291,274	274,424
Debtors: amounts falling due within one year	7	1,090,099	968,624
Cash at bank and in hand		2,543,221	2,017,914
		<u>3,924,594</u>	<u>3,260,962</u>
Creditors: amounts falling due within one year	8	(1,060,412)	(1,062,397)
<b>Net current assets</b>		<u>2,864,182</u>	<u>2,198,565</u>
<b>Total assets less current liabilities</b>		<u>3,390,534</u>	<u>2,915,341</u>
Creditors: amounts falling due after more than one year	9	(736,552)	(897,096)
<b>Provisions for liabilities</b>			
Deferred tax	10	-	(4,181)
<b>Net assets</b>		<u><u>2,653,982</u></u>	<u><u>2,014,064</u></u>
<b>Capital and reserves</b>			
Called up share capital		200	200
Profit and loss account		2,653,782	2,013,864
		<u><u>2,653,982</u></u>	<u><u>2,014,064</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

# **AJH PUMP SUPPLY & REPAIR LIMITED**

Registered number: 06897702

## **BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2017**

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The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



**Mr A J Hyett**

Director

The notes on pages 3 to 11 form part of these financial statements.

# **AJH PUMP SUPPLY & REPAIR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

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### **1. General information**

AJH Pump Supply & Repair Limited (the "Company") is a private company limited by shares registered in England and Wales (No. 06897702). The principal place of business is The Warehouse, Church Street, Wakefield, WF1 5QY.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

These financial statements have been presented in pound sterling which is the functional currency of the Company.

These financial statements for the year ended 31 March 2017 are the first financial statements that comply with FRS 102 Section 1A small entities. However, the date of transistion to FRS 102 is 1 April 2015.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

In the opinion of the directors, there are no material uncertainties that may affect the ability of the Company to continue trading for the foreseeable future. Therefore the directors continue to adopt the going concern basis in the preparation of the Company's financial statements.

# AJH PUMP SUPPLY & REPAIR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 2. Accounting policies (continued)

#### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.4 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

The estimated useful lives range as follows:

Goodwill	-	10	years
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#### 2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

# AJH PUMP SUPPLY & REPAIR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 2. Accounting policies (continued)

#### 2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	-	15% straight-line
Motor vehicles	-	25% straight-line
Office equipment	-	15% straight-line
Computer equipment	-	33% straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

#### 2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# **AJH PUMP SUPPLY & REPAIR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

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### **2. Accounting policies (continued)**

#### **2.9 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **2.11 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### **2.12 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

# **AJH PUMP SUPPLY & REPAIR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

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### **2. Accounting policies (continued)**

#### **2.13 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### **3. Employees**

The average monthly number of employees, including directors, during the year was 13 (2016 - 13).



# AJH PUMP SUPPLY & REPAIR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 4. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 April 2016	1,500,000
At 31 March 2017	<u>1,500,000</u>
<b>Amortisation</b>	
At 1 April 2016	900,000
Charge for the year	150,000
At 31 March 2017	<u>1,050,000</u>
<b>Net book value</b>	
At 31 March 2017	<u>450,000</u>
At 31 March 2016	<u>600,000</u>

# AJH PUMP SUPPLY & REPAIR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 5. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 April 2016	8,686	148,980	3,718	31,209	192,593
Additions	-	-	391	3,350	3,741
At 31 March 2017	8,686	148,980	4,109	34,559	196,334
<b>Depreciation</b>					
At 1 April 2016	3,924	47,668	2,150	22,075	75,817
Charge for the year on owned assets	1,303	37,245	616	5,000	44,164
At 31 March 2017	5,227	84,913	2,766	27,075	119,981
<b>Net book value</b>					
At 31 March 2017	3,459	64,067	1,343	7,484	76,353
At 31 March 2016	4,762	101,312	1,568	9,134	116,776

### 6. Stocks

	2017 £	2016 £
Stock on hand	291,274	274,424

Stock recognised in cost of sales during the year as an expense was £3,547,216 (2016 - £3,540,591).

### 7. Debtors

	2017 £	2016 £
Trade debtors	1,043,781	923,470
Other debtors	29,944	29,944
Prepayments and accrued income	16,374	15,210
	1,090,099	968,624

# AJH PUMP SUPPLY & REPAIR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	579,937	470,184
Corporation tax	238,250	339,529
Other taxation and social security	60,342	71,805
Other creditors	157,490	145,733
Accruals and deferred income	24,393	35,146
	<u>1,060,412</u>	<u>1,062,397</u>

### 9. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>736,552</u>	<u>897,096</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2017 £	2016 £
Repayable other than by instalments	<u>736,552</u>	<u>897,096</u>

### 10. Deferred taxation

	2017 £	2016 £
At beginning of year	4,181	7,177
(Released) to profit or loss	<u>(4,181)</u>	<u>(2,996)</u>

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	<u>-</u>	<u>4,181</u>

# AJH PUMP SUPPLY & REPAIR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 11. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £48,619 (2016 - £48,619). No contributions totalling (2016 - £nil) were payable to the fund at the balance sheet date.

### 12. Related party transactions

Interest of £10,345 (2016 - £10,505) was payable to Mr A J Hyett (director) in respect of his loan to the Company for the year.

Key management personnel received remuneration of £66,828 (2016: £66,828) during the year and the Company paid £138,000 (2016 - £538,000) in dividends to the directors.

Amounts owed to related parties at the balance sheet date are shown below:

	2017 £	2016 £
Mr A J Hyett	(885,693)	(1,034,843)

### 13. Controlling party

The Company is controlled by Mr A J Hyett (director).

### 14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.