

# Orrell Electrics Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 October 2018

**HUGHES**

# Orrell Electrics Limited

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# **Orrell Electrics Limited**

## **Company Information**

**Director** Mr G Price

**Registered office** 34 Haddon Avenue  
Liverpool  
L9 3BR

**Accountants** Heriot Hughes Chartered Accountants  
Chartered Accountants  
42 Crosby Road North  
Crosby  
Liverpool  
Merseyside  
L22 4QQ

**Registered Number** 08725540

**Orrell Electrics Limited**  
**(Registration number: 08725540)**  
**Balance Sheet as at 31 October 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	3,766	5,021
<b>Current assets</b>			
Debtors	5	2,254	3,719
Cash at bank and in hand		3,339	2,322
		5,593	6,041
<b>Creditors: Amounts falling due within one year</b>	6	(3,841)	(7,736)
<b>Net current assets/(liabilities)</b>		1,752	(1,695)
<b>Total assets less current liabilities</b>		5,518	3,326
<b>Provisions for liabilities</b>		(491)	(1,004)
<b>Net assets</b>		5,027	2,322
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		5,026	2,321
<b>Total equity</b>		5,027	2,322

For the financial year ending 31 October 2018 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.

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.

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

**Orrell Electrics Limited**

**(Registration number: 08725540)**

**Balance Sheet as at 31 October 2018 (continued)**

Approved and authorised by the director on 1 July 2019

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Mr G Price  
Director

The notes on pages 4 to 8 form an integral part of these financial statements.  
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# **Orrell Electrics Limited**

## **Notes to the Financial Statements for the Year Ended 31 October 2018**

### **1 General information**

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

The address of its registered office is:

34 Haddon Avenue  
Liverpool  
L9 3BR  
United Kingdom

These financial statements were authorised for issue by the director on 1 July 2019.

### **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.

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 £.

#### **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.

# Orrell Electrics Limited

## Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

### 2 Accounting policies (continued)

#### Financial instruments

##### *Classification*

The company only enters into basic financial instruments transactions that results 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.

##### *Recognition and measurement*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors, banks, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

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.

##### *Impairment*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence, that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The reversal impairment is recognised in profit and loss.

#### 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.

# Orrell Electrics Limited

## Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

### 2 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

#### 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 etc.	33% on cost and 25% on 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.

#### 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.



# Orrell Electrics Limited

## Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

### 2 Accounting policies (continued)

#### 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 1 (2017 - 1).

### 4 Tangible assets

	Plant and machinery etc. £	Total £
<b>Cost or valuation</b>		
At 1 November 2017	8,916	8,916
At 31 October 2018	8,916	8,916
<b>Depreciation</b>		
At 1 November 2017	3,895	3,895
Charge for the year	1,255	1,255
At 31 October 2018	5,150	5,150
<b>Carrying amount</b>		
At 31 October 2018	3,766	3,766
At 31 October 2017	5,021	5,021

### 5 Debtors

	2018 £	2017 £
Trade debtors	1,620	3,161
Other debtors	634	558
Total current trade and other debtors	2,254	3,719

## Orrell Electrics Limited

### Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

#### 6 Creditors

##### Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Trade creditors		842	1,430
Amounts owed to related parties		147	6,108
Taxation and social security		557	22
Other creditors		2,295	176
		<u>3,841</u>	<u>7,736</u>

#### 7 Dividends

	2018 £	2017 £
Interim dividend of £5,000.00 (2017 - £5,000.00) per ordinary share	5,000	5,000

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.