

AP Higgs Engineering Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2017

R J Financial Accounting Services
Chartered Certified Accountants
1b Bassaleg Road
Newport
Gwent
NP20 3EB

AP Higgs Engineering Ltd

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AP Higgs Engineering Ltd

Company Information

Director Mr A P Higgs

Company secretary Mrs Katrina K Higgs

Registered office 32 Edmundsbury Road
Duffryn
Newport
Gwent
NP10 8AZ

Accountants R J Financial Accounting Services
Chartered Certified Accountants
1b Bassaleg Road
Newport
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NP20 3EB

AP Higgs Engineering Ltd

Director's Report for the Year Ended 31 October 2017

The director presents his report and the financial statements for the year ended 31 October 2017.

Director of the company

The director who held office during the year was as follows:

Mr A P Higgs

Principal activity

The principal activity of the company is Aircraft maintenance contractor

Small companies provision statement

This report has 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.

Approved by the Board on 13 July 2018 and signed on its behalf by:

.....
Mr A P Higgs
Director

**Chartered Certified Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
AP Higgs Engineering Ltd
for the Year Ended 31 October 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of AP Higgs Engineering Ltd for the year ended 31 October 2017 as set out on pages 4 to 10 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 AP Higgs Engineering Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of AP Higgs Engineering Ltd and state those matters that we have agreed to state to the Board of Directors of AP Higgs Engineering 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 AP Higgs Engineering Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that AP Higgs Engineering 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 AP Higgs Engineering Ltd. You consider that AP Higgs Engineering 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 AP Higgs Engineering 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.

.....
R J Financial Accounting Services
Chartered Certified Accountants
1b Bassaleg Road
Newport
Gwent
NP20 3EB

13 July 2018

AP Higgs Engineering Ltd

Profit and Loss Account for the Year Ended 31 October 2017

	Note	Total 31 October 2017 £	Total 31 October 2016 £
Turnover		57,996	55,125
Administrative expenses		<u>(37,257)</u>	<u>(32,711)</u>
Operating profit		<u>20,739</u>	<u>22,414</u>
Interest payable and similar expenses		<u>(2,045)</u>	<u>(183)</u>
		<u>(2,045)</u>	<u>(183)</u>
Profit before tax	<u>3</u>	18,694	22,231
Taxation		<u>(4,180)</u>	<u>(2,163)</u>
Profit for the financial year		<u><u>14,514</u></u>	<u><u>20,068</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 6 to 10 form an integral part of these financial statements.

AP Higgs Engineering Ltd
(Registration number: 09286480)
Balance Sheet as at 31 October 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	8,510	11,347
Current assets			
Debtors	<u>5</u>	11,095	10,819
Cash at bank and in hand		8,876	5,732
		19,971	16,551
Creditors: Amounts falling due within one year	<u>6</u>	(12,641)	(7,505)
Net current assets		7,330	9,046
Total assets less current liabilities		15,840	20,393
Creditors: Amounts falling due after more than one year	<u>6</u>	(15,400)	(19,967)
Net assets		440	426
Capital and reserves			
Called up share capital		100	100
Profit and loss account		340	326
Total equity		440	426

For the financial year ending 31 October 2017 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.

Approved and authorised by the director on 13 July 2018

.....
Mr A P Higgs

Director

The notes on pages 6 to 10 form an integral part of these financial statements.

AP Higgs Engineering Ltd

Notes to the Financial Statements for the Year Ended 31 October 2017

1 General information

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

The address of its registered office is:

32 Edmundsbury Road

Duffryn

Newport

Gwent

NP10 8AZ

These financial statements were authorised for issue by the director on 13 July 2018.

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

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.

Tax

The tax expense for the period comprises current 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.

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.

AP Higgs Engineering Ltd

Notes to the Financial Statements for the Year Ended 31 October 2017

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 & equipment	25% reducing balance basis
Furniture & fittings	25% reducing balance basis
Van	25% reducing balance basis

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.

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.

AP Higgs Engineering Ltd

Notes to the Financial Statements for the Year Ended 31 October 2017

3 Profit before tax

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	<u>2,838</u>	<u>3,784</u>

AP Higgs Engineering Ltd

Notes to the Financial Statements for the Year Ended 31 October 2017

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 November 2016	1,000	14,067	315	15,382
At 31 October 2017	1,000	14,067	315	15,382
Depreciation				
At 1 November 2016	438	3,517	79	4,034
Charge for the year	141	2,638	59	2,838
At 31 October 2017	579	6,155	138	6,872
Carrying amount				
At 31 October 2017	421	7,912	177	8,510
At 31 October 2016	562	10,550	235	11,347

5 Debtors

	2017 £	2016 £
Trade debtors	2,392	-
Other debtors	8,703	10,819
Total current trade and other debtors	11,095	10,819

6 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	7	6,000	4,070
Trade creditors		453	-
Taxation and social security		6,188	3,435
		12,641	7,505
Due after one year			
Loans and borrowings	7	15,400	19,967

AP Higgs Engineering Ltd

Notes to the Financial Statements for the Year Ended 31 October 2017

7 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	<u>15,400</u>	<u>19,967</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	<u>6,000</u>	<u>4,070</u>

8 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £145 (2016 - £220) per each ordinary share	<u>14,500</u>	<u>22,000</u>

AP Higgs Engineering Ltd

Detailed Profit and Loss Account for the Year Ended 31 October 2017

	2017 £	2016 £
Turnover (analysed below)	<u>57,996</u>	<u>55,125</u>
Gross profit (%)		
Administrative expenses		
Employment costs (analysed below)	(11,341)	(11,433)
General administrative expenses (analysed below)	(23,078)	(17,494)
Depreciation costs (analysed below)	<u>(2,838)</u>	<u>(3,784)</u>
	<u>(37,257)</u>	<u>(32,711)</u>
Operating profit	20,739	22,414
Interest payable and similar charges (analysed below)	<u>(2,045)</u>	<u>(183)</u>
Profit before tax	<u>18,694</u>	<u>22,231</u>

This page does not form part of the statutory financial statements.
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AP Higgs Engineering Ltd

Detailed Profit and Loss Account for the Year Ended 31 October 2017

	2017 £	2016 £
Turnover		
Contracts	52,820	50,113
VAT Flat Rate Gain	5,176	5,012
	<u>57,996</u>	<u>55,125</u>
Employment costs		
Directors salary	(11,072)	(10,833)
Director NI	(269)	-
Training costs	-	(600)
	<u>(11,341)</u>	<u>(11,433)</u>
General administrative expenses		
Tools	(3,515)	(97)
Clothing & Laundry	(842)	(550)
Telephone	(735)	(780)
Postage and stationary	(48)	-
IT expenses	-	(119)
Motor insurance	-	(195)
Travel and subsistence	(14,758)	(13,771)
Advertising	(1,800)	(199)
Accountancy	(1,380)	(1,272)
Professional indemnity insurance	-	(511)
	<u>(23,078)</u>	<u>(17,494)</u>
Depreciation costs		
Depreciation on plant and machinery	(59)	(79)
Depreciation on fixtures, fittings and equipment	(141)	(188)
Depreciation charge on van	(2,638)	(3,517)
	<u>(2,838)</u>	<u>(3,784)</u>
Interest payable and similar expenses		
Interest Paid	<u>2,045</u>	<u>183</u>

This page does not form part of the statutory financial statements.
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