

# AP Higgs Engineering Ltd

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

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  
Gwent  
NP20 3EB

# **AP Higgs Engineering Ltd**

## **Director's Report for the Year Ended 31 October 2018**

The director presents his report and the financial statements for the year ended 31 October 2018.

### **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 3 June 2019 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 2018**

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 2018 as set out on pages 4 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 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

3 June 2019

## AP Higgs Engineering Ltd

### Profit and Loss Account for the Year Ended 31 October 2018

	Note	Total 31 October 2018 £	Total 31 October 2017 £
Turnover		72,566	57,996
Cost of sales		<u>(2,796)</u>	<u>(3,515)</u>
Gross profit		69,770	54,481
Administrative expenses		<u>(35,743)</u>	<u>(33,742)</u>
Operating profit		<u>34,027</u>	<u>20,739</u>
Interest payable and similar expenses		<u>(2,136)</u>	<u>(2,045)</u>
		<u>(2,136)</u>	<u>(2,045)</u>
Profit before tax	<u>3</u>	31,891	18,694
Taxation		<u>(5,331)</u>	<u>(4,180)</u>
Profit for the financial year		<u><u>26,560</u></u>	<u><u>14,514</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 7 to 12 form an integral part of these financial statements.

**AP Higgs Engineering Ltd**  
**(Registration number: 09286480)**  
**Balance Sheet as at 31 October 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	12,343	8,510
<b>Current assets</b>			
Debtors	<u>5</u>	6,991	11,095
Cash at bank and in hand		10,429	8,876
		17,420	19,971
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	(13,336)	(12,641)
<b>Net current assets</b>		4,084	7,330
<b>Total assets less current liabilities</b>		16,427	15,840
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	(17,427)	(15,400)
<b>Net (liabilities)/assets</b>		(1,000)	440
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		(1,100)	340
<b>Total equity</b>		(1,000)	440

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.

The notes on pages 7 to 12 form an integral part of these financial statements.  
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**AP Higgs Engineering Ltd**  
**(Registration number: 09286480)**  
**Balance Sheet as at 31 October 2018**

Approved and authorised by the director on 3 June 2019

.....

Mr A P Higgs

Director

The notes on pages 7 to 12 form an integral part of these financial statements.

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# **AP Higgs Engineering Ltd**

## **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 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 3 June 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 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.

# **AP Higgs Engineering Ltd**

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

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
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.

## **AP Higgs Engineering Ltd**

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

#### **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 2018

#### 3 Profit before tax

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	4,117	2,838

# AP Higgs Engineering Ltd

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

### 4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>				
At 1 November 2017	1,000	14,067	315	15,382
Additions	-	-	7,949	7,949
At 31 October 2018	1,000	14,067	8,264	23,331
<b>Depreciation</b>				
At 1 November 2017	578	6,155	138	6,871
Charge for the year	106	1,978	2,033	4,117
At 31 October 2018	684	8,133	2,171	10,988
<b>Carrying amount</b>				
At 31 October 2018	316	5,934	6,093	12,343
At 31 October 2017	421	7,912	177	8,510

### 5 Debtors

	2018 £	2017 £
Trade debtors	2,176	2,392
Other debtors	4,815	8,703
Total current trade and other debtors	6,991	11,095

### 6 Creditors

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	7	6,213	6,000
Trade creditors		-	453
Taxation and social security		7,123	6,188
		13,336	12,641
<b>Due after one year</b>			
Loans and borrowings	7	17,427	15,400

# AP Higgs Engineering Ltd

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

### 7 Loans and borrowings

	2018 £	2017 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>17,427</u>	<u>15,400</u>

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank borrowings	<u>6,213</u>	<u>6,000</u>

### 8 Dividends

#### Final dividends paid

	2018 £	2017 £
Final dividend of £280 (2017 - £145) per each ordinary share	28,000	14,500

## AP Higgs Engineering Ltd

### Detailed Profit and Loss Account for the Year Ended 31 October 2018

	2018 £	2017 £
Turnover (analysed below)	72,566	57,996
Cost of sales (analysed below)	<u>(2,796)</u>	<u>(3,515)</u>
Gross profit	<u>69,770</u>	<u>54,481</u>
Gross profit (%)		
<b>Administrative expenses</b>		
Employment costs (analysed below)	(12,173)	(11,341)
General administrative expenses (analysed below)	(19,453)	(19,563)
Depreciation costs (analysed below)	<u>(4,117)</u>	<u>(2,838)</u>
	<u>(35,743)</u>	<u>(33,742)</u>
Operating profit	34,027	20,739
Interest payable and similar charges (analysed below)	<u>(2,136)</u>	<u>(2,045)</u>
Profit before tax	<u><u>31,891</u></u>	<u><u>18,694</u></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 2018

	2018 £	2017 £
<b>Turnover</b>		
Contracts	66,090	52,820
VAT Flat Rate Gain	6,476	5,176
	<u>72,566</u>	<u>57,996</u>
<b>Cost of sales</b>		
Tools	<u>(2,796)</u>	<u>(3,515)</u>
<b>Employment costs</b>		
Directors salaries	(11,705)	(11,072)
Directors NI contributions	<u>(468)</u>	<u>(269)</u>
	<u>(12,173)</u>	<u>(11,341)</u>
<b>General administrative expenses</b>		
Clothing & Laundry	(624)	(842)
Telephone	(790)	(735)
Printing, postage and stationary	-	(48)
Travel and subsistence	(16,463)	(14,758)
Advertising	-	(1,800)
Accountancy	(1,404)	(1,380)
Professional indemnity insurance	<u>(172)</u>	<u>-</u>
	<u>(19,453)</u>	<u>(19,563)</u>
<b>Depreciation costs</b>		
Depreciation on plant and machinery	(2,033)	(59)
Depreciation on fixtures, fittings and equipment	(106)	(141)
Depreciation on van	<u>(1,978)</u>	<u>(2,638)</u>
	<u>(4,117)</u>	<u>(2,838)</u>
<b>Interest payable and similar expenses</b>		
Loan interest paid	<u>(2,136)</u>	<u>(2,045)</u>

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