

Company Registration No. 01910376 (England and Wales)

HUGHES PUMPS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

HUGHES PUMPS LIMITED

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HUGHES PUMPS LIMITED

INDEPENDENT CHARTERED ACCOUNTANT'S REVIEW REPORT TO THE BOARD OF DIRECTORS OF HUGHES PUMPS LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The following reproduces the wording included within the members' version of the financial statements, including references to primary statements and reports which are not included within the filing version:

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hughes Pumps Limited for the year ended 31 March 2021 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

Directors' Responsibility for the Financial Statements

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' Responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) Engagements to review historical financial statements and ICAEW technical release TECH 09/13AAF (Revised) Assurance review engagements on historical financial statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the United Kingdom Accounting Standards. ISRE 2400 (Revised) also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, applying analytical procedures, and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

We have not been instructed to carry out an audit or a review of the financial statements of Hughes Pumps Limited. 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 financial statements.

Use of our report

This report is made solely to the company's directors, as a body, in accordance with the terms of our engagement letter dated 9 May 2019. Our review work has been undertaken so that we might state to the company's directors those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body, for our work, for this report, or for the conclusions we have formed.

**Carpenter Box
Chartered Accountants
Worthing**

9 August 2021

HUGHES PUMPS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	4		6		-
Tangible assets	5		608,141		706,920
Investments	6		2,487		-
			<u>610,634</u>		<u>706,920</u>
Current assets					
Stocks		660,521		615,969	
Debtors	7	2,663,359		2,126,654	
Cash at bank and in hand		941,482		1,084,658	
		<u>4,265,362</u>		<u>3,827,281</u>	
Creditors: amounts falling due within one year	8	<u>(519,421)</u>		<u>(465,007)</u>	
Net current assets			<u>3,745,941</u>		<u>3,362,274</u>
Total assets less current liabilities			<u>4,356,575</u>		<u>4,069,194</u>
Provisions for liabilities			<u>(96,400)</u>		<u>(110,900)</u>
Net assets			<u><u>4,260,175</u></u>		<u><u>3,958,294</u></u>
Capital and reserves					
Called up share capital			5,760		5,760
Share premium account			123,097		123,097
Capital redemption reserve			8,640		8,640
Profit and loss reserves			<u>4,122,678</u>		<u>3,820,797</u>
Total equity			<u><u>4,260,175</u></u>		<u><u>3,958,294</u></u>

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

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

HUGHES PUMPS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved and signed by the director and authorised for issue on 9 August 2021

Mr P Cranford

Director

Company Registration No. 01910376

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Hughes Pumps Limited is a private company limited by shares incorporated in England and Wales. The registered office is Highfield Works, Spring Gardens, Washington, Pulborough, West Sussex, RH20 3BS.

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had an impact on the company's operations. However, the entity was able to work through the pandemic on a reduced scale given the essential nature of its operations. Due to the social distancing measures put in place and a temporary reduction in orders, activity since the year end has reduced and the entity has utilised the government's Job Retention Scheme. Futures sales, costs and cash flow are being regularly reviewed and monitored and the company is currently performing better than budget, being a reduced budget to reflect circumstances. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts recognised on an accruals basis when the goods are dispatched. Turnover earned under contracts is recognised where a right to consideration has accrued by reference to the fair value of work done, reflecting any uncertainties as to outcome or recoverability. Turnover contingent on events outside the control of the business is recognised when the contingent event occurs.

Amounts recoverable on contracts are included in debtors, less foreseeable losses and amounts received as progress payments on account. Payments on account received in excess of turnover are included in creditors.

Costs attributable to turnover are included in cost of sales. Costs not attributable to turnover are included in work in progress.

1.4 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Goodwill	5 years straight line
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1.6 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:

Leasehold improvements	Over the term of the lease of 15 years
Plant and machinery, and office equipment	15% per annum on a diminishing balance basis
Computer equipment	20% per annum on straight line basis
Motor vehicles	25% per annum on a diminishing balance basis

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.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Stocks

Stocks and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell on an average cost basis. 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.

A provision for obsolete and slow moving items is calculated by the directors and this is incorporated into the final stock valuation. Work in progress is identified by the directors and is valued on the basis of the cost of the individual components used.

1.9 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.10 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year.

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.

1.13 Employee benefits

The cost of short term employee benefits are recognised as a liability and an expense.

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.

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.14 Retirement benefits

The company operates a defined contribution scheme for the benefit of its directors and employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.18 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 19 (2020 - 21).

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2020	-
Additions	6
At 31 March 2021	6
Amortisation and impairment	
At 1 April 2020 and 31 March 2021	-
Carrying amount	
At 31 March 2021	6
At 31 March 2020	-

5 Tangible fixed assets

	Leasehold improvements	Plant and machinery, and office equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2020	33,770	2,565,930	17,342	19,435	2,636,477
Additions	-	8,372	-	-	8,372
At 31 March 2021	33,770	2,574,302	17,342	19,435	2,644,849
Depreciation and impairment					
At 1 April 2020	33,770	1,871,845	9,118	14,824	1,929,557
Depreciation charged in the year	-	105,054	944	1,153	107,151
At 31 March 2021	33,770	1,976,899	10,062	15,977	2,036,708
Carrying amount					
At 31 March 2021	-	597,403	7,280	3,458	608,141
At 31 March 2020	-	694,085	8,224	4,611	706,920

6 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	2,487	-

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 April 2020	-
Additions	2,487
At 31 March 2021	2,487
Carrying amount	
At 31 March 2021	2,487
At 31 March 2020	-

7 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	780,641	602,710
Amounts owed by group undertakings	1,790,373	1,419,655
Other debtors	92,345	104,289
	2,663,359	2,126,654

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	220,007	186,440
Taxation and social security	115,088	77,454
Other creditors	184,326	201,113
	519,421	465,007

There is a debenture in place as security over the assets of the company.

9 Financial commitments, guarantees and contingent liabilities

At the balance sheet date the company has provided a guarantee for borrowings included in the accounts of Hughes Pumps Holdings Limited, the parent company, amounting to £323,397. This borrowing has been repaid by the parent company on 6 April 2021

HUGHES PUMPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£	£
184,351	325,646
<u> </u>	<u> </u>

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.