

RUSSELLS (ELECTRICAL) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2018

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BALANCE SHEET
AS AT 30 APRIL 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	39,466	56,415
Current assets			
Stocks		100,712	92,087
Debtors: amounts falling due after more than one year	5	48,873	63,283
Debtors	5	536,083	509,070
Cash at bank and in hand		176	271
		<u>685,844</u>	<u>664,711</u>
Creditors: amounts falling due within one year	6	(591,922)	(560,979)
Net current assets		<u>93,922</u>	103,732
Total assets less current liabilities		<u>133,388</u>	160,147
Creditors: amounts falling due after more than one year	7	-	(11,304)
Provisions for liabilities			
Deferred tax		(7,500)	(9,600)
		<u>(7,500)</u>	<u>(9,600)</u>
Net assets		<u>125,888</u>	<u>139,243</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		125,886	139,241
		<u>125,888</u>	<u>139,243</u>

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2018

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.

The Company has opted not to file the statement of income and retained earnings 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 29 January 2019.

A Hunter
Director

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

1. General information

Russells (Electrical) Limited (the Company) is a private company, limited by shares, incorporated in England. The address of its registered office is Old Library, Kingsbury Close, Minworth Sutton Coldfield, B76 9DH and its principal place of business is 1252 Kingsbury Road, Castle Vale, Birmingham, B35 6AG.

2. Accounting policies

2.1 Basis of preparation of financial statements

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 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:

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.

2.3 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

Leasehold property improvements	-	10% straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance
Computer software	-	33% straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

2. Accounting policies (continued)

2.4 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.

2.5 Financial instruments

The Company only enters into basic financial instrument 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.

2.6 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of income and retained earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 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 income and retained earnings 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax is recognised in the Statement of income and retained earnings, 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.

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.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2017 - 25).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

4. Tangible fixed assets

	Leasehold property improvements £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Computer software £	Total £
Cost						
At 1 May 2017	44,454	23,236	82,189	64,790	10,683	225,352
Disposals	-	-	(9,150)	-	-	(9,150)
At 30 April 2018	44,454	23,236	73,039	64,790	10,683	216,202
Depreciation						
At 1 May 2017	33,340	23,137	42,416	62,861	7,183	168,937
Charge for the year on owned assets	3,334	24	690	482	2,096	6,626
Charge for the year on financed assets	-	-	9,048	-	-	9,048
Disposals	-	-	(7,875)	-	-	(7,875)
At 30 April 2018	36,674	23,161	44,279	63,343	9,279	176,736
Net book value						
At 30 April 2018	7,780	75	28,760	1,447	1,404	39,466
At 30 April 2017	11,114	99	39,773	1,929	3,500	56,415

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Motor vehicles	27,144	36,191

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

5. Debtors

	2018 £	2017 £
Due after more than one year		
Retentions	<u>48,873</u>	<u>63,283</u>
Due within one year		
Trade debtors	452,938	446,626
Other debtors	64,919	41,583
Prepayments and accrued income	18,226	20,861
	<u>536,083</u>	<u>509,070</u>

6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	142,924	119,036
Bank loans	-	5,403
Trade creditors	337,360	322,061
Corporation tax	24,244	14,141
Obligations under hire purchase contracts	11,304	15,274
Other creditors	43,138	37,832
Accruals and deferred income	32,952	47,232
	<u>591,922</u>	<u>560,979</u>

The bank loans and overdrafts and obligations under hire purchase contracts are secured on the assets of the company.

7. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under hire purchase contracts	<u>-</u>	<u>11,304</u>

The obligations under hire purchase contracts are secured by the company on the assets to which they relate.

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.