

Registration number: 02872945

# Alliance Electronics Limited

Unaudited Financial Statements

for the Year Ended 30 December 2019



# Alliance Electronics Limited

(Registration number: 02872945)

## Balance Sheet as at 30 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	3	109,015	76,243
<b>Current assets</b>			
Stocks		857,255	550,827
Debtors	4	2,518,660	2,279,135
Cash at bank and in hand		45,630	60,894
		<u>3,421,545</u>	<u>2,890,856</u>
<b>Creditors:</b> Amounts falling due within one year	5	<u>(1,716,551)</u>	<u>(1,550,003)</u>
<b>Net current assets</b>		<u>1,704,994</u>	<u>1,340,853</u>
<b>Total assets less current liabilities</b>		1,814,009	1,417,096
<b>Provisions for liabilities</b>		<u>(17,319)</u>	<u>(11,100)</u>
<b>Net assets</b>		<u><u>1,796,690</u></u>	<u><u>1,405,996</u></u>
<b>Capital and reserves</b>			
Called up share capital		2,150	2,150
Other reserves		500	500
Profit and loss account		<u>1,794,040</u>	<u>1,403,346</u>
<b>Total equity</b>		<u><u>1,796,690</u></u>	<u><u>1,405,996</u></u>

The notes on pages 3 to 6 form an integral part of these financial statements.

**Alliance Electronics Limited**

**(Registration number: 02872945)**

**Balance Sheet as at 30 December 2019 (continued)**

For the financial year ending 30 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements which 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, and in accordance with the provisions of FRS102 Section 1A Small Entities.

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 Directors' Report and the Profit and Loss Account has been taken.

These financial statements were approved and authorised for issue by the Board on 28/8/20 and signed on its behalf by:



Mr I Gunatilleke

Director

The notes on pages 3 to 6 form an integral part of these financial statements.

# **Alliance Electronics Limited**

## **Notes to the Financial Statements for the Year Ended 30 December 2019**

### **1 Accounting policies**

#### **Statutory information**

Alliance Electronics Limited is a private company, limited by shares, domiciled in England and Wales, company number 02872945. The registered office is at The Arc, High Street, Clowne, Chesterfield, S43 4JY.

#### **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. There has been no material departure from this standard.

#### **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 presentation currency is United Kingdom pounds sterling, which is the functional currency of the company. The financial statements are those of an individual entity.

These financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

#### **Going concern**

After due consideration of all relevant factors, including the recent COVID-19 pandemic, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **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.

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

## **Alliance Electronics Limited**

### **Notes to the Financial Statements for the Year Ended 30 December 2019 (continued)**

#### **1 Accounting policies (continued)**

##### **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.

Deferred tax shall be recognised in respect of all timing differences at the reporting date, except as otherwise required by FRS102. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

##### **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 and machinery	25% straight line per annum
Fixtures and fittings	25% straight line per annum
Computer equipment	25% straight line per annum
Motor vehicles	25% reducing balance

##### **Stocks**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

##### **Leases**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

## Alliance Electronics Limited

### Notes to the Financial Statements for the Year Ended 30 December 2019 (continued)

#### 1 Accounting policies (continued)

##### Defined contribution pension obligation

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the statement of comprehensive income.

#### 2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 42 (2018 - 42).

#### 3 Tangible assets

	Fixtures and fittings £	Motor vehicles £	Plant and machinery £	Office equipment £	Total £
<b>Cost</b>					
At 31 December 2018	25,420	15,311	51,681	56,385	148,797
Additions	140	9,200	33,511	32,987	75,838
At 30 December 2019	25,560	24,511	85,192	89,372	224,635
<b>Depreciation</b>					
At 31 December 2018	14,608	6,648	23,876	27,422	72,554
Charge for the year	6,090	2,357	15,489	19,130	43,066
At 30 December 2019	20,698	9,005	39,365	46,552	115,620
<b>Carrying amount</b>					
At 30 December 2019	4,862	15,506	45,827	42,820	109,015
At 30 December 2018	10,812	8,663	27,805	28,963	76,243

## Alliance Electronics Limited

### Notes to the Financial Statements for the Year Ended 30 December 2019 (continued)

#### 4 Debtors

	2019 £	2018 £
Trade debtors	900,758	683,653
Amounts owed by related companies	1,294,977	1,292,197
Other debtors	322,925	139,460
Accrued income	-	163,825
	<u>2,518,660</u>	<u>2,279,135</u>

#### 5 Creditors

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

	2019 £	2018 £
<b>Due within one year</b>		
Finance lease liabilities	8,414	-
Other borrowings	444,040	408,346
Trade creditors	222,457	175,339
Social security and other taxes	109,529	142,813
Other payables	764,639	778,999
Other creditors	162,445	43,805
Corporation tax	5,027	701
	<u>1,716,551</u>	<u>1,550,003</u>

#### 6 Financial commitments, guarantees and contingencies

##### Operating leases

As at the balance sheet date, the company had total commitments under non-cancellable operating leases over the remaining term of those leases of £264,507 (2018 - £356,633).

#### 7 Control

The company is controlled by Peak Capital Consultants Ltd, a company registered in England and Wales, which owns more than 75% of the called up share capital.

The ultimate parent company is Peak Capital Consultants Ltd.