

REGISTERED NUMBER: 04544831 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

FOR

ALPHA ELECTRONICS (WALES) LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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ALPHA ELECTRONICS (WALES) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016**

DIRECTOR: F W Morris

SECRETARY: F W Morris

REGISTERED OFFICE: Unit 6 Spectrum Business Estate
Bircholt Road
Maidstone
Kent
ME15 9YP

REGISTERED NUMBER: 04544831 (England and Wales)

ACCOUNTANTS: Crowe Clark Whitehill LLP
10 Palace Avenue
Maidstone
Kent
ME15 6NF

BALANCE SHEET
31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		24,906		16,341
			<u>24,906</u>		<u>16,341</u>
CURRENT ASSETS					
Stocks		65,633		42,496	
Debtors	6	148,350		77,533	
Cash at bank and in hand		12,760		17,910	
		<u>226,743</u>		<u>137,939</u>	
CREDITORS					
Amounts falling due within one year	7	<u>200,424</u>		<u>91,519</u>	
NET CURRENT ASSETS			<u>26,319</u>		<u>46,420</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			51,225		62,761
CREDITORS					
Amounts falling due after more than one year	8		-		(4,364)
PROVISIONS FOR LIABILITIES			(994)		-
NET ASSETS			<u>50,231</u>		<u>58,397</u>
CAPITAL AND RESERVES					
Called up share capital			10,000		10,000
Retained earnings			<u>40,231</u>		<u>48,397</u>
SHAREHOLDERS' FUNDS			<u>50,231</u>		<u>58,397</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

BALANCE SHEET - continued
31 DECEMBER 2016

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 13 April 2017 and were signed by:

F W Morris - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. **STATUTORY INFORMATION**

Alpha Electronics (Wales) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 14 for an explanation of the transition.

Going concern

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors confirm that they consider that the going concern basis remains appropriate. The directors believe that the Company has sufficient resources to continue in operational existence for the foreseeable future. The directors believe this to be the case as the Company has positive reserves, cash balances and no significant long term liabilities. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 15% on cost and 15% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences 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 tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with significant risk of change in value.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Creditors

Short term creditors are measured at the transaction price.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7 .

4. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 January 2016
and 31 December 2016

10,000

AMORTISATION

At 1 January 2016
and 31 December 2016

10,000

NET BOOK VALUE

At 31 December 2016

-

At 31 December 2015

-

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2016	16,033	695	13,516	2,946	33,190
Additions	-	-	13,700	-	13,700
At 31 December 2016	<u>16,033</u>	<u>695</u>	<u>27,216</u>	<u>2,946</u>	<u>46,890</u>
DEPRECIATION					
At 1 January 2016	10,122	695	3,086	2,946	16,849
Charge for year	626	-	4,509	-	5,135
At 31 December 2016	<u>10,748</u>	<u>695</u>	<u>7,595</u>	<u>2,946</u>	<u>21,984</u>
NET BOOK VALUE					
At 31 December 2016	<u>5,285</u>	<u>-</u>	<u>19,621</u>	<u>-</u>	<u>24,906</u>
At 31 December 2015	<u>5,911</u>	<u>-</u>	<u>10,430</u>	<u>-</u>	<u>16,341</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 January 2016	
and 31 December 2016	<u>13,516</u>
DEPRECIATION	
At 1 January 2016	3,087
Charge for year	<u>3,368</u>
At 31 December 2016	<u>6,455</u>
NET BOOK VALUE	
At 31 December 2016	<u>7,061</u>
At 31 December 2015	<u>10,429</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	147,163	76,346
Other debtors	39	39
Prepayments	<u>1,148</u>	<u>1,148</u>
	<u>148,350</u>	<u>77,533</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts	72,413	-
Hire purchase contracts (see note 9)	4,034	4,052
Trade creditors	79,076	29,606
Amounts owed to group undertakings	18,934	32,821
Tax	911	2,470
Social security and other taxes	3,652	3,018
VAT	9,048	12,395
Other creditors	3,294	2,845
Accruals	2,257	2,546
Deferred income	<u>6,805</u>	<u>1,766</u>
	<u>200,424</u>	<u>91,519</u>

The hire purchase creditor is secured upon the assets to which it relates.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Hire purchase contracts (see note 9)	<u>-</u>	<u>4,364</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2016	2015
	£	£
Net obligations repayable:		
Within one year	4,034	4,052
Between one and five years	-	4,364
	<u>4,034</u>	<u>8,416</u>
	Non-cancellable operating leases	
	2016	2015
	£	£
Between one and five years	<u>30,000</u>	<u>-</u>

10. RELATED PARTY TRANSACTIONS

Alpha Electronics (Wales) Limited is related to Alpha Electronics (Southern) Limited and Alpha Electronics (Northern) Limited as all three companies are under the common control of Mr. F. Morris, Mr. A. Willis and Mrs J. Morris.

During the year, the company purchased goods from Alpha Electronics (Southern) Limited with a value of £71,318 (2015: £91,341) and made sales to that company of £39,690 (2015: £35,070). At the year end, the company owed £21,266 (2015: £17,245) to Alpha Electronics (Southern) Limited.

In addition, the company purchased goods from Alpha Electronics (Northern) Limited with a value of £26,183 (2015: £12,218) and made sales to that company of £43,001 (2015: £27,803). At the year end, the company was owed £2,332 (2015: £Nil) by Alpha Electronics (Northern) Limited.

All transactions were made on normal commercial terms

11. FIRST YEAR ADOPTION

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.