

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28 FEBRUARY 2022

AIR CONDITIONING
REFRIGERATION ELECTRICAL
WHOLESALE LIMITED

MENZIES

AIR CONDITIONING REFRIGERATION ELECTRICAL WHOLESALE LIMITED

COMPANY INFORMATION

Directors	Mr S Mohamed Mr A Mohit
Registered number	05005513
Registered office	Lynton House 7-12 Tavistock Square London WC1H 9LT
Trading Address	Unit 6, Derby Road Metropolitan Centre London UB6 8UP
Accountants	Menzies LLP Chartered Accountants Lynton House 7-12 Tavistock Square London WC1H 9LT

**AIR CONDITIONING REFRIGERATION ELECTRICAL
WHOLESALE LIMITED**
REGISTERED NUMBER:05005513

**STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	99,484	113,477
		<u>99,484</u>	<u>113,477</u>
Current assets			
Stocks		1,166,179	1,172,959
Debtors: amounts falling due after more than one year	5	22,964	22,964
Debtors: amounts falling due within one year	5	74,272	182,706
Cash at bank and in hand		10,049	110,856
		<u>1,273,464</u>	<u>1,489,485</u>
Creditors: amounts falling due within one year	6	(966,480)	(1,112,638)
Net current assets		<u>306,984</u>	<u>376,847</u>
Total assets less current liabilities		<u>406,468</u>	<u>490,324</u>
Creditors: amounts falling due after more than one year	7	(349,904)	(352,840)
Net assets		<u><u>56,564</u></u>	<u><u>137,484</u></u>
Capital and reserves			
Called up share capital		104	104
Profit and loss account		56,460	137,380
		<u><u>56,564</u></u>	<u><u>137,484</u></u>

**AIR CONDITIONING REFRIGERATION ELECTRICAL
WHOLESALE LIMITED**
REGISTERED NUMBER:05005513

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 28 FEBRUARY 2022

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 the 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 by:

.....
Mr A Mohit
Director

.....
Mr S Mohamed
Director

Date: 30 November 2022

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

AIR CONDITIONING REFRIGERATION ELECTRICAL WHOLESALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

1. General information

Air Conditioning Refrigeration Electrical Wholesale Limited is a private company, limited by shares, incorporated in England and Wales, registration number 05005513. The registered office and principal place of business is disclosed on the company information page.

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 Going concern

The continued effects of COVID-19, the associated social distancing measures and imposed travel restrictions have significantly impacted businesses globally. The company has not been immune to this leading to reduced net assets during the period.

The directors have taken measures in order to safeguard cashflow, customers and supply chain that they believe should enable them to continue in operational existence. Therefore, it is the director's opinion that the

going concern basis of preparation continues to be appropriate.

2.3 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 generated through wholesale of electrical goods and is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

2.6 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

AIR CONDITIONING REFRIGERATION ELECTRICAL WHOLESALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

2. Accounting policies (continued)

2.7 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, on a reducing balance basis.

Depreciation is provided on the following basis:

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

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 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 reporting 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.

2.9 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 ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 12 (2021 - 13).

AIR CONDITIONING REFRIGERATION ELECTRICAL WHOLESALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 March 2021	23,651	41,481	129,145	34,015	62,342	290,634
Additions	-	-	-	-	3,334	3,334
						293,968
At 28 February 2022	<u>23,651</u>	<u>41,481</u>	<u>129,145</u>	<u>34,015</u>	<u>65,676</u>	<u>293,968</u>
Depreciation						
At 1 March 2021	15,385	38,438	70,687	18,557	34,090	177,157
Charge for the year on owned assets	1,240	761	8,769	2,319	4,238	17,327
						194,484
At 28 February 2022	<u>16,625</u>	<u>39,199</u>	<u>79,456</u>	<u>20,876</u>	<u>38,328</u>	<u>194,484</u>
Net book value						
At 28 February 2022	<u>7,026</u>	<u>2,282</u>	<u>49,689</u>	<u>13,139</u>	<u>27,348</u>	<u>99,484</u>
At 28 February 2021	<u>8,266</u>	<u>3,043</u>	<u>58,458</u>	<u>15,458</u>	<u>28,252</u>	<u>113,477</u>

5. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	22,964	22,964
	<u>22,964</u>	<u>22,964</u>
Due within one year		
Trade debtors	74,272	148,278
Prepayments and accrued income	-	14,166
Tax recoverable	-	20,262
	<u>74,272</u>	<u>182,706</u>

AIR CONDITIONING REFRIGERATION ELECTRICAL WHOLESALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	8,956	-
Other loans	153,561	258,928
Trade creditors	558,433	416,758
Other taxation and social security	70,573	66,789
Other creditors	156,604	355,810
Accruals and deferred income	18,353	14,353
	<u>966,480</u>	<u>1,112,638</u>

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

	2022 £	2021 £
Other loans	349,904	352,840
	<u>349,904</u>	<u>352,840</u>

8. Commitments under operating leases

At 28 February 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	85,000	85,000
Later than 1 year and not later than 5 years	28,333	113,333
	<u>113,333</u>	<u>198,333</u>

9. Related party transactions

Within other loans, there is a balance of £45,175 (2021: £50,000) owed to MTS HVAC Limited. The director of this company is also the director of Air Conditioning Refrigeration Electrical Wholesale Limited. The loan has been provided interest free.

Within other creditors, there is a balance of £20,687 (2021: £85,842) owed to the directors as at year end. The loan has been provided interest free.

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