

Pumps and Gearboxes Ltd
Annual report and financial statements
for the 8 month period ended 31 December 2018



Pumps and Gearboxes Ltd

Company Information

Directors	R P Johnson S L Gill B D Hancock
Secretary	S Deakes
Company number	04148794
Registered office	Richard Alan House Shaw Cross Business Park Owl Lane Dewsbury West Yorkshire WF12 7RD
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Hardman Square Manchester M3 3EB
Bankers	Yorkshire Bank PLC 14 Broadway Bradford West Yorkshire BD1 1EZ

Pumps and Gearboxes Ltd

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Pumps and Gearboxes Ltd
Directors' report
for the period ended 31 December 2018

The directors present their annual report and financial statements for the period ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of suppliers of pumps and gearbox equipment.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

R P Johnson
S L Gill
B D Hancock

Results and dividends

The results for the period are set out on page 4.

No ordinary dividends were paid during the period. The directors do not recommend payment of a final dividend.

Independent Auditors

PricewaterhouseCoopers LLP were appointed as independent auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial 8 month period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board


S Deakes
Secretary

30 August 2019

Pumps and Gearboxes Ltd

Independent auditors' report

To the Members of Pumps and Gearboxes Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Pumps and Gearboxes Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the 8 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: Statement of financial position as at 31 December 2018; the Statement of income and retained earnings for the period ended 31 December 2018; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Pumps and Gearboxes Ltd

Independent auditors' report (continued)

To the Members of Pumps and Gearboxes Ltd

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

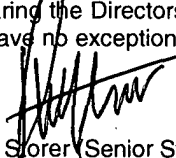
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.


Philip Storer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

02 September 2019

Pumps and Gearboxes Ltd
Statement of income and retained earnings
for the period ended 31 December 2018

		For the period ended 31 December 2018 £	For the year ended 30 April 2018 £
	Notes		
Turnover		1,082,567	1,709,700
Cost of sales		(829,959)	(1,334,228)
Gross profit		252,608	375,472
Administrative expenses		(197,030)	(295,664)
Other operating income		-	5,000
Operating profit		55,578	84,808
Interest payable		-	(13)
Profit before taxation		55,578	84,795
Taxation	3	(10,552)	(15,995)
Profit for the financial year		45,026	68,800
Retained earnings at opening balance		370,065	308,765
Dividends	4	-	(7,500)
Retained earnings at closing balance		415,091	370,065

All results relate to continuing operations.

There were no income or expenses arising, other than the profits shown above, in the current period and prior year. Accordingly a separate statement of comprehensive income is not presented.

Pumps and Gearboxes Ltd
Statement of financial position
as at 31 December 2018

		31 December 2018		30 April 2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		27,908		33,176
Current assets					
Stocks		172,763		209,169	
Debtors	6	281,585		353,736	
Cash at bank and in hand		212,825		138,400	
		<u>667,173</u>		<u>701,305</u>	
Creditors: amounts falling due within one year	7	<u>(275,755)</u>		<u>(359,023)</u>	
Net current assets			<u>391,418</u>		<u>342,282</u>
Total assets less current liabilities			419,326		375,458
Provisions for liabilities	8		<u>(2,902)</u>		<u>(4,060)</u>
Net assets			<u>416,424</u>		<u>371,398</u>
Capital and reserves					
Called up share capital	9		1,333		1,333
Profit and loss reserves			<u>415,091</u>		<u>370,065</u>
Total equity			<u>416,424</u>		<u>371,398</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 4 to 9 were approved by the board of directors and authorised for issue on 30 August 2019 and are signed on its behalf by:


R P Johnson
Director

Company Registration No. 04148794

Pumps and Gearboxes Ltd
Notes to the financial statements
for the period ended 31 December 2018

1 Accounting policies

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.

The financial statements have been prepared on the historical cost convention with the principal accounting policies adopted are set out below. These policies have been applied consistently other than where new policies have been adopted.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

Turnover is recognised on despatch of goods.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold property improvements	10% straight line basis
Plant and machinery	15% reducing balance basis
Fixtures and fittings	15% reducing balance basis
Computer equipment	25% straight line basis
Motor vehicles	25% reducing balance basis

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences. Such liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Retirement benefits

The company operates a defined contribution pension scheme. The contributions are charged to the profit and loss account in the period to which they are payable.

Pumps and Gearboxes Ltd

Notes to the financial statements (continued)

for the period ended 31 December 2018

1 Accounting policies

Leases

Rentals payable under operating leases, are charged to income on a straight line basis over the term of the lease.

2 Employees

The average monthly number of persons (including 1 remunerated director) employed by the company during the period was 7 (year ended 30 April 2018 - 7).

3 Taxation

	For the period ended 31 December 2018 £	For the year ended 30 April 2018 £
Current tax		
UK corporation tax on profits for the current period	11,710	13,794
Adjustments in respect of prior periods	-	-
Total current tax	<u>11,710</u>	<u>13,794</u>
Deferred tax		
Origination and reversal of timing differences	<u>(1,158)</u>	<u>2,201</u>
Total tax charge	<u>10,552</u>	<u>15,995</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective from 2020) was substantially enacted in September 2016 and therefore has been considered when calculating deferred tax at the reporting date.

4 Dividends

	For the period ended 31 December 2018 £	For the year ended 30 April 2018 £
Interim paid	<u>-</u>	<u>7,500</u>

Pumps and Gearboxes Ltd

Notes to the financial statements (continued)

for the period ended 31 December 2018

5 Tangible assets

	Leasehold property improvements	Plant and machinery	Fixtures and fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 May 2018	10,943	29,459	20,147	28,995	9,870	99,414
Additions	-	-	101	425	-	526
Disposals	-	-	(1,393)	(4,560)	-	(5,953)
At 31 December 2018	10,943	29,459	18,855	24,860	9,870	93,987
Depreciation						
At 1 May 2018	6,134	22,932	17,660	11,033	8,479	66,238
Depreciation in the period	730	653	397	3,782	232	5,794
Eliminated on disposals	-	-	(1,393)	(4,560)	-	(5,953)
At 31 December 2018	6,864	23,585	16,664	10,255	8,711	66,079
Carrying amount						
At 31 December 2018	4,079	5,874	2,191	14,605	1,159	27,908
At 30 April 2018	4,809	6,527	2,487	17,962	1,391	33,176

6 Debtors

	31 December 2018	30 April 2018
	£	£
Amounts falling due within one year:		
Trade debtors	232,388	274,963
Amounts owed by fellow group undertakings	29,501	55,357
Prepayments and accrued income	19,696	23,416
	281,585	353,736

Provision for impairment of trade debtors as at 31 December 2018 was £NIL (30 April 2018: £NIL).

7 Creditors: amounts falling due within one year

	31 December 2018	30 April 2018
	£	£
Trade creditors	206,055	282,648
Amounts due to fellow group undertakings	14,745	10,886
Corporation tax	22,004	13,794
Other taxation and social security	15,701	16,592
Dividends payable	-	7,500
Directors loan account	3,650	-
Accruals and deferred income	13,600	27,603
	275,755	359,023

Pumps and Gearboxes Ltd

Notes to the financial statements (continued)

for the period ended 31 December 2018

8 Provisions for liabilities

	31 December 2018 £	30 April 2018 £
Deferred taxation	<u>2,902</u>	<u>4,060</u>

9 Called up share capital

	31 December 2018 £	30 April 2018 £
Allotted, issued and fully paid equity shares		
1,333 (30 April 2018: 1,333) Ordinary shares	<u>1,333</u>	<u>1,333</u>

10 Financial commitments, guarantees and contingent liabilities

The company is party to an unlimited cross guarantee arrangement with companies within the group headed by Richard Alan Group Holdings Limited. At the balance sheet date these borrowings amounted to £2,818,614 (30 April 2018: £3,378,377).

11 Operating lease commitments

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

	31 December 2018 £	30 April 2018 £
Total future minimum lease payments	<u>83,058</u>	<u>100,904</u>

12 Parent company

The ultimate parent undertaking at the date of these financial statements is Orange UK Holdings Limited, a company registered in England and Wales.

The company's immediate parent undertaking in the current and previous financial year is Pumps & Gearbox Holdings (UK) Limited, a company registered in England and Wales.

The smallest parent company preparing consolidated financial statements is CorpAcq Limited, these financial statements are available from Companies House, Cardiff, CF14 3UZ.

13 Company information

Pumps and Gearboxes Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Richard Alan House, Shaw Cross Business Park, Owl Lane, Dewsbury, West Yorkshire, WF12 7RD.