COMPANY REGISTRATION NUMBER: 07222701

PRECISION ELECTRIC CONTRACTORS & ENGINEERS LIMITED

FILLETED UNAUDITED FINANCIAL STATEMENTS

31 May 2017

PRECISION ELECTRIC CONTRACTORS & ENGINEERS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

Contents	Pages

PRECISION ELECTRIC CONTRACTORS & ENGINEERS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr K Reid
	Mr S M Reid
	Mr K Merrett
	Mr N Roberts
Company secretary	Mr K Reid
Registered office	44 Tenter Road
	Moulton Park
	Northampton
	NN3 6AX
Accountants	Sawford Bullard
	Accountants
	The Old Mill
	Blisworth Hill Farm
	Stoke Road
	Blisworth
	Northampton
	NN7 3DB
Bankers	Allied Irish Bank
	18 St Edmund's Road
	Northampton
	NN1 5EH

PRECISION ELECTRIC CONTRACTORS & ENGINEERS LIMITED

STATEMENT OF FINANCIAL POSITION

31 May 2017

		2017		2016
	Note	£	£	£
Fixed assets				
Tangible assets	6		69,682	76,651
Current assets				
Stocks		500		500
Debtors	7	521,302		599,629
Cash at bank and in hand		29,227		78,489
		551,029		678,618
Creditors: amounts falling due within one year	8	426,445		507,314
Net current assets			124,584	171,304
Total assets less current liabilities			194,266	247,955
Creditors: amounts falling due after more than one year	9		10,960	81,560
Provisions				
Taxation including deferred tax			–	4,715
Net assets			183,306	161,680

PRECISION ELECTRIC CONTRACTORS & ENGINEERS LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 May 2017

	Note	2017 £	£	2016 £
Capital and reserves				
Called up share capital	**11**		**100**	100
Profit and loss account			**183,206**	161,580
Shareholders funds			**183,306**	161,680

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 May 2017 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 31 October 2017 , and are signed on behalf of the board by:

Mr K Reid
Director

Mr S M Reid
Director

Mr K Merrett
Director

Mr N Roberts
Director

Company registration number: 07222701

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 44 Tenter Road, Moulton Park, Northampton, NN3 6AX.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 June 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property improvements	-	10% straight line
Plant & machinery	-	20% reducing balance
Fixtures & fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Equipment - 20% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2016: 7).

5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017	2016
	£	£
Remuneration	**52,400**	18,750
	--------	--------

Directors also had benefits in kind with a cash equivalent of £3,432 (2016: £nil)

6. Tangible assets

	Land and buildings	Plant and machinery	Fixtures and fittings	Motor vehicles	Equipment	**Total**
	£	£	£	£	£	**£**
Cost						
At 1 Jun 2016	30,106	820	4,925	63,705	6,135	**105,691**
Additions	351	–	–	11,999	1,097	**13,447**
Disposals	–	–	–	(11,083)	–	**(11,083)**
At 31 May 2017	30,457	820	4,925	64,621	7,232	**108,055**
Depreciation						
At 1 Jun 2016	5,260	417	2,828	18,659	1,876	**29,040**
Charge for the year	3,046	80	524	11,117	1,071	**15,838**
Disposals	–	–	–	(6,505)	–	**(6,505)**
At 31 May 2017	8,306	497	3,352	23,271	2,947	**38,373**
Carrying amount						
At 31 May 2017	22,151	323	1,573	41,350	4,285	**69,682**
At 31 May 2016	24,846	403	2,097	45,046	4,259	76,651

7. Debtors

	2017	2016
	£	£
Trade debtors	**514,449**	492,762
Amounts owed by group undertakings and undertakings in which the company has a participating interest	–	70,802
Other debtors	**6,853**	36,065
	521,302	599,629

The debtors above include the following amounts falling due after more than one year:

	2017	2016
	£	£
Trade debtors	–	6,763

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	**157,798**	359,363
Amounts owed to group undertakings	–	27,549
Accruals and deferred income	**130,178**	47,062
Corporation tax	**6,746**	10,863
Social security and other taxes	**61,781**	48,870
Obligations under finance leases and hire purchase contracts	**10,640**	12,745
Other creditors	**59,302**	862
	426,445	507,314

The amounts owing under hire purchase contracts are secured on the assets concerned.

9. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Amounts owed to group undertakings	–	69,126
Obligations under finance leases and hire purchase contracts	10,960	12,434
	10,960	81,560

The amounts owing under hire purchase contracts are secured on the assets concerned.

10. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2017	2016
	£	£
Not later than 1 year	10,640	12,745
Later than 1 year and not later than 5 years	10,960	12,434
	21,600	25,179

11. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100

12. Related party transactions

During the year the company's parent company, Precision Electric Ireland Ltd went in to liquidation. The debt owing to the parent company was purchased by Mr M Reid, the father of this company's current shareholders.This debt remains repayable on demand.

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 June 2015.

No transitional adjustments were required in equity or profit or loss for the year.

No amendments have been made to the financial statements for the current or preceding year due to the first time adoption of FRS 102.