

REGISTRAR OF COMPANIES

Registration number: 04741815

P K Electrical (Carlisle) Limited
Unaudited Financial Statements
31 October 2018



P K Electrical (Carlisle) Limited

Contents

Accountants' Report	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Financial Statements	<u>4</u>

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
P K Electrical (Carlisle) Limited
for the Year Ended 31 October 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of P K Electrical (Carlisle) Limited for the year ended 31 October 2018 as set out on pages 2 to 9 from the company's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/membershandbook>.

This report is made solely to the Board of Directors of P K Electrical (Carlisle) Limited, as a body, in accordance with the terms of our engagement letter dated 13 December 2016. Our work has been undertaken solely to prepare for your approval the accounts of P K Electrical (Carlisle) Limited and state those matters that we have agreed to state to the Board of Directors of P K Electrical (Carlisle) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than P K Electrical (Carlisle) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that P K Electrical (Carlisle) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of P K Electrical (Carlisle) Limited. You consider that P K Electrical (Carlisle) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of P K Electrical (Carlisle) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Dodd & Co Limited

Chartered Accountants
Clint Mill
Cornmarket
PENRITH
CA11 7HW

14 December 2018

P K Electrical (Carlisle) Limited
(Registration number: 04741815)
Balance Sheet as at 31 October 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>4</u>	73,028	87,045
Current assets			
Debtors	<u>5</u>	1,112,054	1,244,919
Cash and cash equivalents		78	4,346
		1,112,132	1,249,265
Creditors: Amounts falling due within one year	<u>6</u>	(1,339,632)	(1,033,233)
Net current (liabilities)/assets		(227,500)	216,032
Total assets less current liabilities		(154,472)	303,077
Provisions for liabilities		-	(13,738)
Net (liabilities)/assets		(154,472)	289,339
Capital and reserves			
Allotted, called up and fully paid share capital		4,020	4,020
Profit and loss account		(158,492)	285,319
Total equity		(154,472)	289,339

The notes on pages 4 to 9 form an integral part of these financial statements.
Page 2

P K Electrical (Carlisle) Limited

(Registration number: 04741815)

Balance Sheet as at 31 October 2018 (continued)

For the financial year ending 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements 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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 14 December 2018

.....

K M Percival

Company secretary and director

The notes on pages 4 to 9 form an integral part of these financial statements.

P K Electrical (Carlisle) Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Oakvale House
Thomas Lane
Burgh Road Industrial Estate
Carlisle
CA2 7ND
United Kingdom

2 Accounting policies

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.

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 company has net liabilities at 31 October 2018 and meets its day to day working capital requirements through its bank overdraft facility which, in common with all such facilities, is repayable on demand. In addition the directors have provided financial support by way of short term loans. On the basis of this support, the director considers it appropriate to prepare the financial statements on the going concern basis.

However, should the company not have the support of its bankers, and therefore be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify fixed assets and long term liabilities as current assets and current liabilities.

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.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

P K Electrical (Carlisle) Limited

Notes to the Financial Statements for the Year Ended 31 October 2018 (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 is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

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:

Asset class	Depreciation method and rate
Plant and equipment	25% on reducing balance
Motor vehicles	25% on reducing balance
Furniture, fittings and office equipment	25% on reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for the sale of goods or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

P K Electrical (Carlisle) Limited

Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method where due after more than one year.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 56 (2017 - 60).

P K Electrical (Carlisle) Limited

Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

4 Tangible assets

	Plant and equipment £	Motor vehicles £	Furniture, fittings and office equipment £	Total £
Cost or valuation				
At 1 November 2017	55,783	99,663	97,876	253,322
Additions	821	14,498	2,573	17,892
Disposals	(12,219)	(19,500)	(7,511)	(39,230)
At 31 October 2018	44,385	94,661	92,938	231,984
Depreciation				
At 1 November 2017	43,437	58,543	64,297	166,277
Charge for the year	3,380	15,266	9,934	28,580
Eliminated on disposal	(12,219)	(16,171)	(7,511)	(35,901)
At 31 October 2018	34,598	57,638	66,720	158,956
Carrying amount				
At 31 October 2018	9,787	37,023	26,218	73,028
At 31 October 2017	12,346	41,120	33,579	87,045

5 Debtors

	2018 £	2017 £
Trade debtors	352,115	420,913
Other debtors	759,939	824,006
	1,112,054	1,244,919

P K Electrical (Carlisle) Limited

Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

6 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	<u>7</u>	272,186	175,352
Trade creditors		875,036	590,708
Taxation and social security		189,810	211,733
Corporation tax liability		-	32,098
Other creditors		2,600	23,342
		<u>1,339,632</u>	<u>1,033,233</u>

7 Loans and borrowings

	2018 £	2017 £
Current loans and borrowings		
Bank overdrafts	167,842	175,352
Other borrowings	104,344	-
	<u>272,186</u>	<u>175,352</u>

Current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2018 £	2017 £
Bank overdrafts	<u>167,842</u>	<u>175,352</u>

Bank overdrafts are secured by fixed and floating charges over the company's assets.

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £190,667 (2017 - £216,667). This is for the lease for the building, where 7 years and 4 months are remaining

P K Electrical (Carlisle) Limited

Notes to the Financial Statements for the Year Ended 31 October 2018 (continued)

9 Related party transactions

Transactions with directors

	At 1 November 2017	Advances	Repayments	Other Dividends payments credited	Interest	At 31 October 2018
2018	£	£	£	£	£	£
K M Percival Directors loan	(42,610)	(16,305)	54,659	-	5,000	(744)

	At 1 November 2016 £	Advances £	Repayments £	Other Dividends payments £	credited £	Interest £	At 31 October 2017 £
2017							
K M Percival							
Directors loan	(56,309)	(66,512)	8,521	-	73,250	(1,560)	(42,610)

Directors' advances are repayable on demand.

Interest has been charged at a rate of 2.5% on advances to directors.

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.