

PROPUMP ENGINEERING LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2019

PROPUMP ENGINEERING LIMITED
REGISTERED NUMBER: 02735521

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

| | Note | 2019 £ | 2018 £ |
|--|------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | 5 | 42,479 | 70,423 |
| Investment property | 6 | 203,496 | 327,672 |
| | | 245,975 | 398,095 |
| Current assets | | | |
| Stocks | | 16,044 | 19,020 |
| Debtors: amounts falling due within one year | 7 | 70,822 | 65,367 |
| Cash at bank and in hand | 8 | 1,831,400 | 1,439,099 |
| | | 1,918,266 | 1,523,486 |
| Creditors: amounts falling due within one year | 9 | (458,934) | (264,524) |
| | | 1,459,332 | 1,258,962 |
| Net current assets | | 1,459,332 | 1,258,962 |
| Total assets less current liabilities | | 1,705,307 | 1,657,057 |
| Provisions for liabilities | | | |
| Deferred tax | | (5,500) | (9,000) |
| | | 1,699,807 | 1,648,057 |
| Net assets | | 1,699,807 | 1,648,057 |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Profit and loss account | | 1,699,707 | 1,647,957 |
| | | 1,699,807 | 1,648,057 |

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 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 on 10 December 2019.

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T R Ansell

PROPUMP ENGINEERING LIMITED
REGISTERED NUMBER: 02735521

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2019

Director

The notes on pages 3 to 8 form part of these financial statements.

PROPUMP ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. General information

Propump Engineering Limited is a limited liability company incorporated and domiciled in England. The address of the registered office is shown in the company information, and is the principal place of business.

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 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 measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.4 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 the Statement of income and retained earnings 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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 & machinery | - 25% reducing balance |
| Motor vehicles | - 25% reducing balance |
| Fixtures & fittings | - 25% 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 the Statement of income and retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

2.9 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.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 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 insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2018 - 11).

PROPUMP ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

4. Intangible assets

| | Goodwill £ |
|-----------------------------|-----------------|
| Cost | |
| At 1 October 2018 | 13,007 |
| At 30 September 2019 | <u>13,007</u> |
| Amortisation | |
| At 1 October 2018 | 13,007 |
| At 30 September 2019 | <u>13,007</u> |
| Net book value | |
| At 30 September 2019 | <u><u>-</u></u> |
| At 30 September 2018 | <u><u>-</u></u> |

5. Tangible fixed assets

| | Plant & machinery £ | Motor vehicles £ | Fixtures & fittings £ | Total £ |
|-------------------------------------|---------------------------|----------------------|-----------------------------|----------------------|
| Cost or valuation | | | | |
| At 1 October 2018 | 21,576 | 205,942 | 8,760 | 236,278 |
| Disposals | - | (20,100) | - | (20,100) |
| At 30 September 2019 | <u>21,576</u> | <u>185,842</u> | <u>8,760</u> | <u>216,178</u> |
| Depreciation | | | | |
| At 1 October 2018 | 21,575 | 140,437 | 3,843 | 165,855 |
| Charge for the year on owned assets | - | 12,761 | 736 | 13,497 |
| Disposals | - | (5,653) | - | (5,653) |
| At 30 September 2019 | <u>21,575</u> | <u>147,545</u> | <u>4,579</u> | <u>173,699</u> |
| Net book value | | | | |
| At 30 September 2019 | <u><u>1</u></u> | <u><u>38,297</u></u> | <u><u>4,181</u></u> | <u><u>42,479</u></u> |
| At 30 September 2018 | <u><u>1</u></u> | <u><u>65,505</u></u> | <u><u>4,917</u></u> | <u><u>70,423</u></u> |

PROPUMP ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

6. Investment property

| | Long term leasehold investment property £ |
|-----------------------------|---|
| Valuation | |
| At 1 October 2018 | 327,672 |
| Deficit on revaluation | (124,176) |
| | 203,496 |
| At 30 September 2019 | 203,496 |

The 2019 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

| | 2019 £ | 2018 £ |
|---------------|-----------|-----------|
| Historic cost | 327,672 | 327,672 |

7. Debtors

| | 2019 £ | 2018 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 42,796 | 46,967 |
| Other debtors | 13,727 | 5,789 |
| Prepayments and accrued income | 14,299 | 12,611 |
| | 70,822 | 65,367 |

8. Cash and cash equivalents

| | 2019 £ | 2018 £ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 1,831,400 | 1,439,099 |

PROPUMP ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

9. Creditors: Amounts falling due within one year

| | 2019 | 2018 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 225,021 | 140,908 |
| Corporation tax | 79,967 | 43,699 |
| Other taxation and social security | - | 718 |
| Other creditors | - | 35,481 |
| Accruals and deferred income | 153,946 | 43,718 |
| | <u>458,934</u> | <u>264,524</u> |

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £83,776 (2018 - £82,426).

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.