

PROPUMP ENGINEERING LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2018

PROPUMP ENGINEERING LIMITED
REGISTERED NUMBER: 02735521

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	70,423	93,841
Investment property	6	327,673	264,176
		<hr/>	<hr/>
		398,096	358,017
Current assets			
Stocks	7	19,020	14,783
Debtors: amounts falling due within one year	8	65,367	187,693
Cash at bank and in hand	9	1,439,099	1,374,402
		<hr/>	<hr/>
		1,523,486	1,576,878
Creditors: amounts falling due within one year	10	(264,526)	(448,077)
		<hr/>	<hr/>
Net current assets		1,258,960	1,128,801
		<hr/>	<hr/>
Total assets less current liabilities		1,657,056	1,486,818
Provisions for liabilities			
Deferred tax	12	(9,000)	(12,500)
		<hr/>	<hr/>
Net assets		<u>1,648,056</u>	<u>1,474,318</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,647,956	1,474,218
		<hr/>	<hr/>
		<u>1,648,056</u>	<u>1,474,318</u>

PROPUMP ENGINEERING LIMITED
REGISTERED NUMBER: 02735521

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2018

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 5 December 2018.

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T R Ansell
Director

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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 2018

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 2018

2. Accounting policies (continued)

2.8 Investment property

Investment property is carried at fair value determined annually by the directors 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.

2.14 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 non-puttable ordinary shares.

PROPUMP ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

2. Accounting policies (continued)

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 11 (2017 - 11).

4. Intangible assets

	Goodwill £
Cost	
At 1 October 2017	13,007
At 30 September 2018	<u>13,007</u>
Amortisation	
At 1 October 2017	13,007
At 30 September 2018	<u>13,007</u>
Net book value	
At 30 September 2018	<u><u>-</u></u>
At 30 September 2017	<u><u>-</u></u>

PROPUMP ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

5. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 October 2017	21,576	212,892	8,760	243,228
Disposals	-	(6,950)	-	(6,950)
At 30 September 2018	21,576	205,942	8,760	236,278
Depreciation				
At 1 October 2017	21,575	124,837	2,975	149,387
Charge for the year on owned assets	-	21,835	868	22,703
Disposals	-	(6,235)	-	(6,235)
At 30 September 2018	21,575	140,437	3,843	165,855
Net book value				
At 30 September 2018	1	65,505	4,917	70,423
At 30 September 2017	1	88,055	5,785	93,841

6. Investment property

	Freehold investment property £
Valuation	
At 1 October 2017	264,176
Additions at cost	63,497
At 30 September 2018	327,673

The 2018 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:

	2018 £	2017 £
Historic cost	327,673	264,176

PROPUMP ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

7. Stocks

	2018 £	2017 £
Raw materials and consumables	<u>19,020</u>	<u>14,783</u>

8. Debtors

	2018 £	2017 £
Trade debtors	46,967	110,128
Other debtors	5,789	-
Prepayments and accrued income	12,611	77,565
	<u>65,367</u>	<u>187,693</u>

9. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>1,439,099</u>	<u>1,374,402</u>

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	140,908	313,192
Corporation tax	43,699	35,579
Other taxation and social security	718	1,659
Other creditors	35,483	29,692
Accruals and deferred income	43,718	67,955
	<u>264,526</u>	<u>448,077</u>

PROPUMP ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

11. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,439,099</u>	<u>1,374,402</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio comprise....

12. Deferred taxation

	2018 £
At beginning of year	(12,500)
Charged to profit or loss	3,500
At end of year	<u><u>(9,000)</u></u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>(9,000)</u>	<u>(12,500)</u>

13. 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 £2,426 (2017 - £1,080).