

REGISTERED NUMBER: 04680310 (England and Wales)

Unaudited Financial Statements
for the Year Ended 31 August 2019
for
System Electrical Ltd

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for the year ended 31 August 2019**

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System Electrical Ltd
Company Information
for the year ended 31 August 2019

DIRECTORS:	S Parry-Jones Mrs T C Parry-Jones M P Gracey
SECRETARY:	Mrs T C Parry-Jones
REGISTERED OFFICE:	Unit 23 Mold Business Park Wrexham Road Mold Flintshire CH7 1XP
REGISTERED NUMBER:	04680310 (England and Wales)
ACCOUNTANTS:	Bennett Brooks & Co Ltd Chartered Accountants 14 Grosvenor Court Foregate Street Chester Cheshire CH1 1HG

Balance Sheet
31 August 2019

	Notes	£	2019 £	£	2018 £
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>26,189</u>		<u>8,224</u>
			26,189		8,224
CURRENT ASSETS					
Stocks		193,846		298,607	
Debtors	6	145,398		44,166	
Cash at bank		<u>30,263</u>		<u>41,919</u>	
		369,507		384,692	
CREDITORS					
Amounts falling due within one year	7	<u>246,680</u>		<u>324,378</u>	
NET CURRENT ASSETS			<u>122,827</u>		<u>60,314</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			149,016		68,538
CREDITORS					
Amounts falling due after more than one year	8		<u>16,593</u>		<u>-</u>
NET ASSETS			<u>132,423</u>		<u>68,538</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>132,323</u>		<u>68,438</u>
SHAREHOLDERS' FUNDS			<u>132,423</u>		<u>68,538</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and
- (b) which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 20 February 2020 and were signed on its behalf by:

S Parry-Jones - Director

**Notes to the Financial Statements
for the year ended 31 August 2019**

1. STATUTORY INFORMATION

System Electrical Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Rendering of services

When the outcome of a transaction can be estimated reliably, turnover is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to a notable milestone.

Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract costs and turnover are recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to a notable milestone.

Where the outcome cannot be measured reliably, contract costs are recognised as an expense in the period in which they are incurred and contract turnover is recognised to the extent of costs incurred that it is probable will be recoverable.

When it is probable that contract costs will exceed the total contract turnover, the expected loss is recognised as an expense immediately, with a corresponding provision.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings - 25% reducing balance

Motor vehicles - 25% reducing balance

Computer equipment - 33% straight line

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

**Notes to the Financial Statements - continued
for the year ended 31 August 2019**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Share capital

Ordinary shares are classed as equity.

Short term debtors and creditors

Short term debtors and creditors with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

Distributions to equity holders

Dividends are recognised as a liability in the financial statements in the period in which the dividends are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, cash held with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 13 (2018 - 11) .

Notes to the Financial Statements - continued
for the year ended 31 August 2019

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2018 and 31 August 2019	<u>30,000</u>
AMORTISATION	
At 1 September 2018 and 31 August 2019	<u>30,000</u>
NET BOOK VALUE	
At 31 August 2019	<u>-</u>
At 31 August 2018	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2018	25,734	9,326	19,389	54,449
Additions	<u>793</u>	<u>27,656</u>	<u>735</u>	<u>29,184</u>
At 31 August 2019	<u>26,527</u>	<u>36,982</u>	<u>20,124</u>	<u>83,633</u>
DEPRECIATION				
At 1 September 2018	22,870	7,113	16,242	46,225
Charge for year	<u>914</u>	<u>7,467</u>	<u>2,838</u>	<u>11,219</u>
At 31 August 2019	<u>23,784</u>	<u>14,580</u>	<u>19,080</u>	<u>57,444</u>
NET BOOK VALUE				
At 31 August 2019	<u>2,743</u>	<u>22,402</u>	<u>1,044</u>	<u>26,189</u>
At 31 August 2018	<u>2,864</u>	<u>2,213</u>	<u>3,147</u>	<u>8,224</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 September 2018	9,326
Additions	<u>27,656</u>
At 31 August 2019	<u>36,982</u>
DEPRECIATION	
At 1 September 2018	7,113
Charge for year	<u>7,467</u>
At 31 August 2019	<u>14,580</u>
NET BOOK VALUE	
At 31 August 2019	<u>22,402</u>
At 31 August 2018	<u>2,213</u>

Notes to the Financial Statements - continued
for the year ended 31 August 2019

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	69,157	7,171
Other debtors	<u>76,241</u>	<u>36,995</u>
	<u>145,398</u>	<u>44,166</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Bank loans and overdrafts	-	9,720
Hire purchase contracts	6,034	-
Trade creditors	189,145	265,241
Taxation and social security	38,497	32,585
Other creditors	<u>13,004</u>	<u>16,832</u>
	<u>246,680</u>	<u>324,378</u>

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£	£
Hire purchase contracts	<u>16,593</u>	<u>-</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	<u>22,627</u>	<u>-</u>

10. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 August 2019 and 31 August 2018:

	2019	2018
	£	£
S Parry-Jones		
Balance outstanding at start of year	(5,673)	(1,189)
Amounts advanced	91,820	65,824
Amounts repaid	(69,139)	(70,308)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>17,008</u>	<u>(5,673)</u>

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.