

Company Registration No. 04680310 (England and Wales)

SYSTEM ELECTRICAL LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024
PAGES FOR FILING WITH REGISTRAR



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SYSTEM ELECTRICAL LTD

COMPANY INFORMATION

Directors	Mr S Parry-Jones Mrs. T C Parry-Jones Mr M P Gracey
Secretary	Mrs. T C Parry-Jones
Company number	04680310
Registered office	t/a System Electrical Group Unit 23 Mold Business Park Mold Flintshire United Kingdom CH7 1XP
Accountants	Azets First Floor Unit 55 Ffordd William Morgan St Asaph Business Park St Asaph United Kingdom LL17 0JG

SYSTEM ELECTRICAL LTD

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SYSTEM ELECTRICAL LTD

BALANCE SHEET

AS AT 31 AUGUST 2024

		2024	2023
	Notes	£	£
Fixed assets			
Tangible assets	5	12,323	12,683
Current assets			
Stocks		536,375	256,719
Debtors	6	221,581	144,100
Cash at bank and in hand		227,718	13,481
		<u>985,674</u>	<u>414,300</u>
Creditors: amounts falling due within one year	7	<u>(850,527)</u>	<u>(280,580)</u>
Net current assets		<u>135,147</u>	<u>133,720</u>
Total assets less current liabilities		<u>147,470</u>	<u>146,403</u>
Creditors: amounts falling due after more than one year	8	(31,199)	(73,692)
Provisions for liabilities		<u>(3,016)</u>	<u>(2,410)</u>
Net assets		<u><u>113,255</u></u>	<u><u>70,301</u></u>
Capital and reserves			
Called up share capital	9	120	120
Profit and loss reserves		<u>113,135</u>	<u>70,181</u>
Total equity		<u><u>113,255</u></u>	<u><u>70,301</u></u>

The notes on pages 4 to 10 form part of these financial statements.

In accordance with section 444 of the Companies Act 2006, all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (SI 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 August 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

SYSTEM ELECTRICAL LTD

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2024

The financial statements were approved by the board of directors and authorised for issue on 31 January 2025 and are signed on its behalf by:

Mr S Parry-Jones
Director

Company Registration No. 04680310

SYSTEM ELECTRICAL LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2024

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 September 2022	120	122,075	122,195
Year ended 31 August 2023:			
Profit and total comprehensive income for the year	-	55,106	55,106
Dividends	-	(107,000)	(107,000)
	<u>120</u>	<u>70,181</u>	<u>70,301</u>
Balance at 31 August 2023	120	70,181	70,301
Year ended 31 August 2024:			
Profit and total comprehensive income for the year	-	156,954	156,954
Dividends	-	(114,000)	(114,000)
	<u>120</u>	<u>113,135</u>	<u>113,255</u>
Balance at 31 August 2024	120	113,135	113,255

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Company information

System Electrical Ltd is a private company limited by shares incorporated in England and Wales. The registered office is t/a System Electrical Group, Unit 23, Mold Business Park, Mold, Flintshire, United Kingdom, CH7 1XP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Computers	33% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.7 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

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

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. As all financial assets are classified within one year, they are not amortised, but carried at face value.

Classification of financial liabilities

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 company after deducting all of its liabilities.

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price. Financial liabilities classified as payable within one year are carried at face value.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and continue to be measured at face value.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024 Number	2023 Number
Total	20	18

4 Intangible fixed assets

	Total £
Cost	
At 1 September 2023 and 31 August 2024	30,000
Amortisation and impairment	
At 1 September 2023 and 31 August 2024	30,000
Carrying amount	
At 31 August 2024	-
At 31 August 2023	-

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5 Tangible fixed assets

	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2023	30,309	28,986	36,982	96,277
Additions	1,385	3,515	-	4,900
Disposals	-	-	(9,326)	(9,326)
At 31 August 2024	31,694	32,501	27,656	91,851
Depreciation and impairment				
At 1 September 2023	27,452	26,249	29,893	83,594
Depreciation charged in the year	956	1,963	1,645	4,564
Eliminated in respect of disposals	-	-	(8,630)	(8,630)
At 31 August 2024	28,408	28,212	22,908	79,528
Carrying amount				
At 31 August 2024	3,286	4,289	4,748	12,323
At 31 August 2023	2,857	2,737	7,089	12,683

6 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	192,404	125,237
Other debtors	29,177	18,863
	221,581	144,100

7 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans	41,400	39,900
Trade creditors	688,418	191,769
Taxation and social security	67,071	26,860
Other creditors	53,638	22,051
	850,527	280,580

Included in other creditors is a balance of £978 (2023: £8,383 overdrawn) due to the directors; this amount is interest-free and repayable on demand.

SYSTEM ELECTRICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

8 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans and overdrafts		31,199	73,692
		<u> </u>	<u> </u>

9 Called up share capital

	2024 Number	2023 Number	2024 £	2023 £
Ordinary share capital Issued and fully paid				
Ordinary A of 1p each	10,000	10,000	100	100
Ordinary B of 1p each	2,000	2,000	20	20
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	12,000	12,000	120	120
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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