

CAMBS COMPRESSOR ENGINEERING LIMITED

**FILLETED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

CAMBS COMPRESSOR ENGINEERING LIMITED
REGISTERED NUMBER: 02764366

BALANCE SHEET
AS AT 31 DECEMBER 2017

| | Note | 2017 | 2016 |
|---|-------------|----------------------|---------------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 4 | 121,973 | 164,481 |
| | | <u>121,973</u> | <u>164,481</u> |
| Current assets | | | |
| Stocks | 5 | 80,125 | 73,604 |
| Debtors: amounts falling due within one year | 6 | 257,016 | 241,516 |
| Cash at bank and in hand | 7 | 36,559 | 111,492 |
| | | <u>373,700</u> | <u>426,612</u> |
| Creditors: amounts falling due within one year | 8 | (442,037) | (519,265) |
| Net current liabilities | | <u>(68,337)</u> | <u>(92,653)</u> |
| Total assets less current liabilities | | <u>53,636</u> | <u>71,828</u> |
| Creditors: amounts falling due after more than one year | 9 | (13,128) | (41,092) |
| Provisions for liabilities | | | |
| Deferred tax | 12 | (23,175) | (23,105) |
| | | <u>(23,175)</u> | <u>(23,105)</u> |
| Net assets | | <u><u>17,333</u></u> | <u><u>7,631</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | 17,331 | 7,629 |
| | | <u><u>17,333</u></u> | <u><u>7,631</u></u> |

CAMBS COMPRESSOR ENGINEERING LIMITED
REGISTERED NUMBER: 02764366

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

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 comprehensive income 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 29 May 2018.

M R Fryer

Director

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. General information

Cambs Compressor Engineering is a private company limited by shares and incorporated in England and Wales. The registered office is at Raleigh House, 14C Compass Point Business Park, Stocks Bridge Way, St Ives, Cambridgeshire, PE27 5JL.

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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 Tangible fixed assets

Tangible fixed assets under the cost model 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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:

| | |
|------------------------------|------------------------|
| Long-term leasehold property | - 33% straight line |
| Plant and machinery | - 25% reducing balance |
| Motor vehicles | - 25% reducing balance |
| Fixtures and 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 comprehensive income.

2.4 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 balance sheet 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.

2.5 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.

2.6 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.

2.7 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.8 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.

2.9 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.12 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 comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

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 comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet 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 Balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 balance sheet 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 Balance sheet 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 balance sheet date.

3. Employees

Staff costs, including directors' remuneration, were as follows:

The average monthly number of employees, including directors, during the year was 17 (2016 - 17).

CAMBS COMPRESSOR ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Tangible fixed assets

| | Property improv's £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--|---------------------------|-----------------------------|---------------------|-------------------------------|------------|
| Cost or valuation | | | | | |
| At 1 January 2017 | 10,607 | 45,842 | 236,222 | 82,268 | 374,939 |
| Additions | - | 9,130 | 12,415 | - | 21,545 |
| Disposals | - | (4,500) | (28,300) | - | (32,800) |
| At 31 December 2017 | 10,607 | 50,472 | 220,337 | 82,268 | 363,684 |
| Depreciation | | | | | |
| At 1 January 2017 | 5,997 | 23,000 | 111,523 | 69,938 | 210,458 |
| Charge for the year on owned assets | 1,989 | 5,179 | 1,501 | 2,920 | 11,589 |
| Charge for the year on financed assets | - | - | 25,252 | - | 25,252 |
| Disposals | - | (410) | (5,178) | - | (5,588) |
| At 31 December 2017 | 7,986 | 27,769 | 133,098 | 72,858 | 241,711 |
| Net book value | | | | | |
| At 31 December 2017 | 2,621 | 22,703 | 87,239 | 9,410 | 121,973 |

The net book value of land and buildings may be further analysed as follows:

| | 2017 £ |
|--------------------------|--------------|
| Improvements to property | 2,621 |
| | <u>2,621</u> |

5. Stocks

| | 2017 £ | 2016 £ |
|-------------------------------------|---------------|---------------|
| Finished goods and goods for resale | 80,125 | 73,604 |
| | <u>80,125</u> | <u>73,604</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Debtors

| | 2017 £ | 2016 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 239,718 | 225,805 |
| Prepayments and accrued income | 17,298 | 15,711 |
| | <u>257,016</u> | <u>241,516</u> |

7. Cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------------------|---------------|----------------|
| Cash at bank and in hand | 36,559 | 111,492 |
| | <u>36,559</u> | <u>111,492</u> |

8. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|---|----------------|----------------|
| Payments received on account | 22,991 | 50,800 |
| Trade creditors | 151,245 | 221,199 |
| Corporation tax | 20,881 | 14,642 |
| Other taxation and social security | 55,335 | 54,066 |
| Obligations under finance lease and hire purchase contracts | 26,336 | 45,167 |
| Proceeds of factored debts | 127,460 | 117,085 |
| Other creditors | 34,039 | 13,756 |
| Accruals and deferred income | 3,750 | 2,550 |
| | <u>442,037</u> | <u>519,265</u> |

9. Creditors: Amounts falling due after more than one year

| | 2017 £ | 2016 £ |
|--|---------------|---------------|
| Net obligations under finance leases and hire purchase contracts | 13,128 | 41,092 |
| | <u>13,128</u> | <u>41,092</u> |

CAMBS COMPRESSOR ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

| | 2017 £ | 2016 £ |
|-------------------|---------------|---------------|
| Within one year | 26,336 | 45,167 |
| Between 1-5 years | 13,128 | 27,989 |
| Over 5 years | - | 13,103 |
| | <u>39,464</u> | <u>86,259</u> |

11. Financial instruments

| | 2017 £ | 2016 £ |
|--|---------------|----------------|
| Financial assets | | |
| Financial assets measured at fair value through profit or loss | 36,559 | 111,492 |
| | <u>36,559</u> | <u>111,492</u> |

Financial assets measured at fair value through profit or loss comprise cash held at bank and in hand.

12. Deferred taxation

| | 2017 £ |
|---------------------------|-----------------|
| At beginning of year | (23,105) |
| Charged to profit or loss | (70) |
| At end of year | <u>(23,175)</u> |

The provision for deferred taxation is made up as follows:

| | 2017 £ |
|--------------------------------|-----------------|
| Accelerated capital allowances | (23,175) |
| | <u>(23,175)</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Pension commitments

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge for the year, which represents contributions payable to the scheme amounted to £8,742 (2016: £8,261). Contributions totalling -£49 (2016: £403) were payable to the fund at the balance sheet date and are included in creditors.

14. Related party transactions

During the year the company paid amounts in relation to rental income to CAPS Ltd, a company controlled by Mr M Fryer as shareholder. All transactions were provided for on an arms length basis. The amount payable at the year end was £6,418 (2016: £11,882).

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