

Company Registration No. 02239652 (England and Wales)

POWER SYSTEMS INTERNATIONAL LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2019**

PAGES FOR FILING WITH REGISTRAR



POWER SYSTEMS INTERNATIONAL LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	4		132		1,005
Tangible assets	5		6,375		2,568
			<u>6,507</u>		<u>3,573</u>
Current assets					
Stocks		33,746		4,026	
Debtors	6	349,507		334,619	
Cash at bank and in hand		13,945		65,230	
		<u>397,198</u>		<u>403,875</u>	
Creditors: amounts falling due within one year	7	<u>(358,785)</u>		<u>(367,206)</u>	
Net current assets			<u>38,413</u>		<u>36,669</u>
Total assets less current liabilities			<u>44,920</u>		<u>40,242</u>
Provisions for liabilities	8		<u>(1,106)</u>		<u>(607)</u>
Net assets			<u>43,814</u>		<u>39,635</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves			43,714		39,535
Total equity			<u>43,814</u>		<u>39,635</u>

POWER SYSTEMS INTERNATIONAL LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2019

The directors of the company have elected not to include a copy of the income statement within the financial statements.


For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

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

The financial statements were approved by the board of directors and authorised for issue on 19/12/2019 and are signed on its behalf by:


.....
P S Berry
Director

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Power Systems International Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is RSM, Festival Way, Stoke-on-Trent, Staffordshire, ST1 5BB.

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 presented in sterling which is also the functional currency of the company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The business is involved in providing capital equipment, and as such all cashflow forecasts are subject to various risks. These include customers changing their minds on the nature, size and timing of various projects. In addition projects can be awarded to competitors of Power Systems International Limited. The directors have prepared forecasts taking into account all risk and uncertainties to the business and based on this assessment the directors believe there are adequate resources which will enable the company to meet its liabilities for at least one year from the date the financial statements are signed. For this reason, the directors have adopted the going concern basis in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided to external customers 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.

Intangible fixed assets other than goodwill

Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Website costs	33.3% per annum straight line
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Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

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.

Depreciation is provided at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Fixtures, fittings and office equipment	15% straight line
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Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, the Company assesses if stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the estimated selling price less costs to complete and sell over the carrying amount of the stock is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors; to the extent that payments on account exceed relevant turnover and long term contract balances, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stock.

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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, loans from group undertakings and related parties, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Derecognition of financial assets

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank overdrafts, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Equity instruments

Financial instruments are classified as liabilities and equity instruments 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or using other future taxable profits.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

All leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the company.

Profit and loss reserve

Cumulative profit and loss net of distributions to owners.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 3).

3 Directors' remuneration

	2019	2018
	£	£
Remuneration paid to directors	134,423	30,745
	<u>134,423</u>	<u>30,745</u>

4 Intangible fixed assets

	Website costs
	£
Cost	
At 1 April 2018 and 31 March 2019	2,730
	<u>2,730</u>
Amortisation and impairment	
At 1 April 2018	1,725
Amortisation charged for the year	873
	<u>2,598</u>
At 31 March 2019	2,598
	<u>2,598</u>
Carrying amount	
At 31 March 2019	132
	<u>132</u>
At 31 March 2018	1,005
	<u>1,005</u>

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Tangible fixed assets

	Fixtures, fittings and office equipment £
Cost	
At 1 April 2018	18,857
Additions	5,452
Disposals	(15,787)
At 31 March 2019	<u>8,522</u>
Depreciation and impairment	
At 1 April 2018	16,289
Depreciation charged in the year	1,552
Eliminated in respect of disposals	(15,694)
At 31 March 2019	<u>2,147</u>
Carrying amount	
At 31 March 2019	<u>6,375</u>
At 31 March 2018	<u><u>2,568</u></u>

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	109,846	44,932
Corporation tax recoverable	3,085	1,846
Amounts owed by group undertakings	141,281	217,281
Other debtors	90,478	66,257
Prepayments and accrued income	4,817	4,303
	<u>349,507</u>	<u>334,619</u>

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	137,920	246,727
Payments on account	43,895	31,419
Corporation tax	22,576	-
Other taxation and social security	123,204	77,842
Other creditors	31,190	11,218
	<u>358,785</u>	<u>367,206</u>

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Provisions for liabilities

	2019 £	2018 £
Deferred tax liabilities	1,106	607

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	1,122	607
	<u>1,122</u>	<u>607</u>

9 Called up share capital

	2019 £	2018 £
Ordinary share capital issued and fully paid		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	62,709	46,792
Between one and five years	179,436	143,027
In over five years	71,250	105,450
	<u>313,395</u>	<u>295,269</u>

11 Directors' transactions

A director incurred expenses on behalf of the company of £45,166 (2018:£nil) and £43,830 (2018:£nil) was repaid to the director during the year. The company paid fees on behalf of a director of £1,300 (2018: £1,305) and the director made payments to the company of £2,000 (2018: £66,000) and was loaned £55,642 (2018: £73,532) in the year. At the year end, £62,978 (2018: £9,491) was due from the director to the company.

No interest has been charged on the directors' loan balances.

POWER SYSTEMS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Securities

On 11 March 2019 Sc Finance Ltd raised a fixed and floating charge over all the assets of the company.