

**REGISTERED NUMBER: SC103897 (Scotland)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

**FOR**

**ARCHIBALD MCAULAY & SON LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2017**

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# ARCHIBALD MCAULAY & SON LIMITED

## COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2017

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<b>DIRECTOR:</b>	Harry McAulay
<b>REGISTERED OFFICE:</b>	4d Auchingramont Road Hamilton ML3 6JT
<b>BUSINESS ADDRESS:</b>	Bankend Road Dumbarton G82 2RB
<b>REGISTERED NUMBER:</b>	SC103897 (Scotland)
<b>ACCOUNTANTS:</b>	William Duncan (UK) Limited Chartered Accountants 4d Auchingramont Road Hamilton ML3 6JT
<b>BANKERS:</b>	Bank of Scotland 94/102 High Street Dumbarton G82 1PQ
<b>SOLICITORS:</b>	McArthur Stanton Royal Bank Buildings 35 High Street Dumbarton G82 1LU

**STATEMENT OF FINANCIAL POSITION  
31 MARCH 2017**

	Notes	31.3.17 £	£	31.3.16 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		171,935		183,963
<b>CURRENT ASSETS</b>					
Stocks		2,000		57,000	
Debtors	5	213,129		254,946	
Cash at bank		<u>171,228</u>		<u>47,399</u>	
		386,357		359,345	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>284,155</u>		<u>298,496</u>	
<b>NET CURRENT ASSETS</b>			<u>102,202</u>		<u>60,849</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			274,137		244,812
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		-		(6,263)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(9,836)</u>		<u>(12,940)</u>
<b>NET ASSETS</b>			<u>264,301</u>		<u>225,609</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			30,000		30,000
Revaluation reserve	9		63,917		64,562
Retained earnings	9		<u>170,384</u>		<u>131,047</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>264,301</u>		<u>225,609</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his 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 which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

**STATEMENT OF FINANCIAL POSITION - continued**  
**31 MARCH 2017**

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The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

The financial statements were approved by the director on 14 June 2017 and were signed by:

Harry McAulay - Director

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

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**1. STATUTORY INFORMATION**

Archibald McAulay & Son Limited is a private company, limited by shares, registered in Scotland. 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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, net of discounts and value added tax. Turnover includes revenue earned from the rendering of services, namely structural engineering and metalwork services.

**Rendering of services**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract.

The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- 5% on cost
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

**Impairment of assets**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised immediately in the income statement.

**Raw materials and work in progress**

Raw materials are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Work in progress is valued at lower of cost and net realisable value plus attributable costs.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**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 statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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 statement of financial position. 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 shorter.

The interest element of these obligations is charged to the income statement over the relevant period using the effective interest method. The capital element of future payments is treated as a liability.

Rentals paid under operating leases are charged to the income statement 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 the income statement in the period to which they relate.

**Financial instruments**

Basic financial instruments are recognised as follows:

**(i) 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.

**(ii) Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand.

Cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in



liabilities on the statement of financial position.

**(iii) Creditors**

Short term trade 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. Page 5 continued...

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2017**
**2. ACCOUNTING POLICIES - continued**
**Provision for liabilities**

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

**3. AVERAGE NUMBER OF EMPLOYEES**

The average number of employees during the year was 9 .

**4. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2016	150,000	191,427	32,033	373,460
Additions	-	1,948	-	1,948
At 31 March 2017	<u>150,000</u>	<u>193,375</u>	<u>32,033</u>	<u>375,408</u>
<b>DEPRECIATION</b>				
At 1 April 2016	14,280	159,931	15,286	189,497
Charge for year	1,428	8,361	4,187	13,976
At 31 March 2017	<u>15,708</u>	<u>168,292</u>	<u>19,473</u>	<u>203,473</u>
<b>NET BOOK VALUE</b>				
At 31 March 2017	<u>134,292</u>	<u>25,083</u>	<u>12,560</u>	<u>171,935</u>
At 31 March 2016	<u>135,720</u>	<u>31,496</u>	<u>16,747</u>	<u>183,963</u>

Included in cost of land and buildings is freehold land of £ 78,617 (2016 - £ 78,617 ) which is not depreciated.

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

	Motor vehicles £
<b>COST</b>	
At 1 April 2016 and 31 March 2017	<u>22,995</u>
<b>DEPRECIATION</b>	
At 1 April 2016	10,061
Charge for year	3,234
At 31 March 2017	<u>13,295</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>9,700</u>
At 31 March 2016	<u>12,934</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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

	31.3.17	31.3.16
	£	£
Trade debtors	211,000	242,342
VAT	-	10,424
Prepaid charges	2,129	2,180
	<u>213,129</u>	<u>254,946</u>

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

	31.3.17	31.3.16
	£	£
Hire purchase contracts	6,262	6,832
Trade creditors	198,664	203,670
Corporation tax	27,250	23,865
PAYE and NIC	7,000	5,362
VAT	24,660	-
Other creditors	378	-
Director's loan	11,190	52,189
Accrued charges	8,751	6,578
	<u>284,155</u>	<u>298,496</u>

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

	31.3.17	31.3.16
	£	£
Hire purchase contracts	-	6,263

8. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.17	31.3.16
	£	£
Hire purchase contracts	<u>6,262</u>	<u>13,095</u>

Hire purchase creditors are secured against the assets to which they relate.

9. **RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2016	131,047	64,562	195,609
Profit for the year	98,085		98,085
Dividends	(60,000)		(60,000)
Profit and loss reserve transfer	1,252	(1,252)	-
Deferred tax on revaluation	-	607	607
At 31 March 2017	<u>170,384</u>	<u>63,917</u>	<u>234,301</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**10. RELATED PARTY DISCLOSURES**

During the period, the company received an interest free loan from the director amounting to £11,190 (2016 : £52,189).

**11. FIRST YEAR ADOPTION**

**Transitional relief**

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to measure fair value at date of transition to FRS 102 and use a deemed cost on an item of property, plant and equipment.