

# **H.A. McEwen (Boiler Repairs) Limited**

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 May 2017

# **H.A. McEwen (Boiler Repairs) Limited**

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# H.A. McEwen (Boiler Repairs) Limited

(Registration number: 01101413)

## Balance Sheet as at 31 May 2017

	Note	2017	2016
		£	£
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	247,886	230,325
<b>Current assets</b>			
Stocks		12,500	12,500
Debtors	<u>5</u>	84,531	71,711
Cash at bank and in hand		<u>48,568</u>	<u>72,049</u>
		145,599	156,260
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	<u>(115,417)</u>	<u>(117,692)</u>
<b>Net current assets</b>		<u>30,182</u>	<u>38,568</u>
<b>Total assets less current liabilities</b>		278,068	268,893
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	(124,052)	(130,656)
<b>Provisions for liabilities</b>		<u>(27,607)</u>	<u>(22,082)</u>
<b>Net assets</b>		<u><u>126,409</u></u>	<u><u>116,155</u></u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	100	100
Revaluation reserve	<u>9</u>	117,298	115,918
Profit and loss account		<u>9,011</u>	<u>137</u>
<b>Total equity</b>		<u><u>126,409</u></u>	<u><u>116,155</u></u>

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

## **H.A. McEwen (Boiler Repairs) Limited**

**(Registration number: 01101413)**

### **Balance Sheet as at 31 May 2017**

For the financial year ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26 February 2018 and signed on its behalf by:

.....  
A McEwen  
Director

The notes on pages 3 to 10 form an integral part of these financial statements.  
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# **H.A. McEwen (Boiler Repairs) Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2017**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Farling Top Farm  
Cowling  
North Yorkshire  
BD22 0NW

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. This is the first year in which accounts have been prepared under Financial Reporting Standard 102 Section 1A.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax.

The company recognises revenue when the significant risks and rewards of ownership have been transferred to the buyer; the company retains no continuing involvement or control over the goods; the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity.

#### **Government grants**

Grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Grants are measured at the fair value of the asset received or receivable.

The company applies the performance model and recognises grants as follows: (a) A grant that does not impose specified future performance-related conditions on the recipient is recognised in income when the grant proceeds are received or receivable. (b) A grant that imposes specified future performance-related conditions on the recipient is recognised in income only when the performance-related conditions are met. (c) grants received before the revenue recognition criteria are satisfied are recognised as a liability.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

## **H.A. McEwen (Boiler Repairs) Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses aside from Land which is stated at a revalued amount.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Where assets are held under the revaluation model and the fair value can be measured reliably they are carried at a revalued amount, being its fair value at the date of revaluation less any subsequent depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts does not differ materially from that which would be determined using the fair value at the end of the reporting period.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	4% straight line basis
Leasehold land and buildings	5% reducing balance basis
Fixtures, fittings and equipment	10 - 50 % reducing balance basis
Motor vehicles	25% reducing balance basis
Plant and machinery	10% reducing balance basis

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

## **H.A. McEwen (Boiler Repairs) Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

#### **Financial instruments**

##### **Financial assets**

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### **Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest for a similar debt instrument.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed during the year was 8 (2016 - 7).

# H.A. McEwen (Boiler Repairs) Limited

## Notes to the Financial Statements for the Year Ended 31 May 2017

### 4 Tangible assets

	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Plant and machinery £	Total £
<b>Cost or valuation</b>					
At 1 June 2016	220,350	5,705	68,032	51,365	345,452
Additions	24,141	846	-	2,587	27,574
At 31 May 2017	244,491	6,551	68,032	53,952	373,026
<b>Depreciation</b>					
At 1 June 2016	39,963	2,733	41,119	31,312	115,127
Charge for the year	822	1,176	6,390	1,625	10,013
At 31 May 2017	40,785	3,909	47,509	32,937	125,140
<b>Carrying amount</b>					
At 31 May 2017	203,706	2,642	20,523	21,015	247,886
At 31 May 2016	180,386	2,972	26,913	20,054	230,325

### Revaluation

Included within land and buildings is land valued in 2007 at £150,000.

Had this class of asset been measured on a historical cost basis, the cost and carrying amount would have been £12,000 (2016 - £12,000) with no depreciation charged on the land.

### 5 Debtors

	2017 £	2016 £
Trade debtors	79,385	68,352
Prepayments	5,146	3,359
	84,531	71,711



## H.A. McEwen (Boiler Repairs) Limited

### Notes to the Financial Statements for the Year Ended 31 May 2017

#### 6 Creditors

##### Creditors: amounts falling due within one year

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	<u>7</u>	12,933	27,478
Trade creditors		73,879	73,094
Taxation and social security		17,166	12,652
Accruals and deferred income		<u>11,439</u>	<u>4,468</u>
		<u>115,417</u>	<u>117,692</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £11,196 (2016 - £19,947).

The bank loan is secured by way of a fixed and floating charge on all assets of the company and obligations under hire purchase contracts are secured on the assets to which they relate.

##### Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
<b>Due after one year</b>			
Loans and borrowings	<u>7</u>	<u>124,052</u>	<u>130,656</u>

Included in the loans and borrowings are the following amounts due after more than five years:

	2017 £	2016 £
<b>Due after more than five years</b>		
After more than five years by instalments	89,256	91,663
	<u>          </u>	<u>          </u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £124,052 (2016 - £130,656).

The bank loan is secured by way of a fixed and floating charge on all the assets of the company and obligations under hire purchase contracts are secured on the assets to which they relate.

# H.A. McEwen (Boiler Repairs) Limited

## Notes to the Financial Statements for the Year Ended 31 May 2017

### 7 Loans and borrowings

	2017 £	2016 £
<b>Current loans and borrowings</b>		
Bank borrowings	7,000	11,515
Finance lease liabilities	4,196	8,433
Other borrowings	1,737	7,530
	<u>12,933</u>	<u>27,478</u>

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	117,256	119,663
Finance lease liabilities	6,796	10,993
	<u>124,052</u>	<u>130,656</u>

### 8 Share capital

#### Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

## **H.A. McEwen (Boiler Repairs) Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

#### **9 Revaluation reserve**

	<b>Land and buildings 2017 £</b>
Amount of revaluation brought forward	138,000
Deferred taxation	<u>(20,702)</u>
	<u><u>117,298</u></u>

A provision for deferred tax of £20,702 has been debited from the revaluation reserve. There is no tax treatment on this movement.

#### **10 Transition to FRS 102**

As described in the accounting policies, the company has adopted FRS102 Section 1A for the first time this year and as such an adjustment for deferred taxation has been made which is now required to be recognised on any gain on revaluation of land and buildings which differs from the recognition under old UK GAAP.

# H.A. McEwen (Boiler Repairs) Limited

## Notes to the Financial Statements for the Year Ended 31 May 2017

### Balance Sheet at 31 May 2016

	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	194,245	-	36,080	230,325
<b>Current assets</b>				
Stocks	12,500	-	-	12,500
Debtors	71,711	-	-	71,711
Cash at bank and in hand	72,049	-	-	72,049
	156,260	-	-	156,260
Creditors: Amounts falling due within one year	(113,143)	-	-	(113,143)
Net current assets	43,117	-	-	43,117
Total assets less current liabilities	237,362	-	36,080	273,442
Creditors: Amounts falling due after more than one year	(135,205)	-	-	(135,205)
Provisions for liabilities	-	-	(22,082)	(22,082)
Net assets	102,157	-	13,998	116,155
<b>Capital and reserves</b>				
Called up share capital	(100)	-	-	(100)
Revaluation reserve	(138,000)	-	22,082	(115,918)
Profit and loss account	35,943	-	(36,080)	(137)
Total equity	(102,157)	-	(13,998)	(116,155)

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.