

H.A. McEwen (Boiler Repairs) Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 May 2018

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 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	<u>4</u>	288,495	247,886
Current assets			
Stocks		6,600	12,500
Debtors	<u>5</u>	146,304	84,531
Cash at bank and in hand		<u>75,498</u>	<u>48,568</u>
		228,402	145,599
Creditors: Amounts falling due within one year	<u>6</u>	<u>(179,515)</u>	<u>(115,417)</u>
Net current assets		<u>48,887</u>	<u>30,182</u>
Total assets less current liabilities		337,382	278,068
Creditors: Amounts falling due after more than one year	<u>6</u>	(173,173)	(124,052)
Provisions for liabilities		<u>(29,700)</u>	<u>(27,607)</u>
Net assets		<u>134,509</u>	<u>126,409</u>
Capital and reserves			
Called up share capital	<u>8</u>	100	100
Revaluation reserve	<u>9</u>	117,482	117,298
Profit and loss account		<u>16,927</u>	<u>9,011</u>
Total equity		<u>134,509</u>	<u>126,409</u>

The notes on pages 3 to 8 form an integral part of these financial statements.

H.A. McEwen (Boiler Repairs) Limited

(Registration number: 01101413)

Balance Sheet as at 31 May 2018

For the financial year ending 31 May 2018 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 3 December 2018 and signed on its behalf by:

.....

A McEwen

Director

The notes on pages 3 to 8 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 2018

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' including the disclosure and presentation requirements of Section 1A and the Companies Act 2006.

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.

The company's functional and presentation currency is pound sterling.

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.

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.

H.A. McEwen (Boiler Repairs) Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

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:

Asset class	Depreciation method and rate
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 2018

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 by the company (including directors) during the year was 9 (2017 - 8).

H.A. McEwen (Boiler Repairs) Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

4 Tangible assets

	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation					
At 1 June 2017	244,491	6,551	68,032	53,952	373,026
Additions	35,936	1,624	8,895	5,134	51,589
At 31 May 2018	280,427	8,175	76,927	59,086	424,615
Depreciation					
At 1 June 2017	40,785	3,909	47,509	32,937	125,140
Charge for the year	777	1,107	6,798	2,298	10,980
At 31 May 2018	41,562	5,016	54,307	35,235	136,120
Carrying amount					
At 31 May 2018	238,865	3,159	22,620	23,851	288,495
At 31 May 2017	203,706	2,642	20,523	21,015	247,886

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 (2017 - £12,000) with no depreciation charged on the land.

5 Debtors

	2018 £	2017 £
Trade debtors	134,507	79,385
Prepayments	11,797	5,146
	<u>146,304</u>	<u>84,531</u>

H.A. McEwen (Boiler Repairs) Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

6 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	<u>7</u>	17,130	12,933
Trade creditors		124,381	73,879
Taxation and social security		29,047	17,166
Accruals and deferred income		<u>8,957</u>	<u>11,439</u>
		<u>179,515</u>	<u>115,417</u>

Creditors include net obligations under hire purchase contracts which are secured of £15,669 (2017 - £11,196).
Obligations under hire purchase contracts are secured on the assets to which they relate.

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	<u>7</u>	<u>173,173</u>	<u>124,052</u>

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

	2018 £	2017 £
Due after more than five years		
After more than five years by instalments	129,641	89,256
	<u>129,641</u>	<u>89,256</u>

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 2018

7 Loans and borrowings

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	8,933	7,000
Finance lease liabilities	6,736	4,196
Other borrowings	1,461	1,737
	<u>17,130</u>	<u>12,933</u>

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	166,649	117,256
Finance lease liabilities	6,524	6,796
	<u>173,173</u>	<u>124,052</u>

8 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

9 Reserves

	Land and buildings 2018 £
Amount of revaluation brought forward	117,298
Deferred taxation	<u>184</u>
	<u>117,482</u>

A movement on deferred tax of £184 has been credited to the revaluation reserve. There is no tax treatment on this movement.

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.