

MAKEIN AND MCNAB LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

MAKEIN AND MCNAB LIMITED

COMPANY INFORMATION

Directors	J A D Makein J J Makein G J Makein R Makein
Company secretary	Mrs J J Makein
Registered number	SC111020
Registered office	9 Riverside Court Coal Road Cupar Fife KY15 5JY
Accountants	EQ Accountants LLP Chartered Accountants 58 Bonnygate Cupar Fife KY15 4LD

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020

		2020 £	2019 £
Fixed assets			
Tangible assets	4	<u>26,519</u>	<u>34,165</u>
		26,519	34,165
Current assets			
Stocks		2,000	2,250
Debtors: amounts falling due within one year	5	43,981	82,797
Cash at bank and in hand		<u>115,341</u>	<u>111,503</u>
		161,322	196,550
Creditors: amounts falling due within one year	6	<u>(77,452)</u>	<u>(87,515)</u>
Net current assets		<u>83,870</u>	<u>109,035</u>
Total assets less current liabilities		110,389	143,200
Provisions for liabilities			
Deferred tax		<u>(4,775)</u>	<u>(6,153)</u>
		<u>(4,775)</u>	<u>(6,153)</u>
Net assets		<u>105,614</u>	<u>137,047</u>
Capital and reserves			
Called up share capital	7	7,832	7,832
Share premium account		7,830	7,830
Profit and loss account		<u>89,952</u>	<u>121,385</u>
		<u>105,614</u>	<u>137,047</u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2020

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 the 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 income and retained earnings 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 28 September 2020.

J A D Makein
Director

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

1. General information

Makein and McNab Limited is a private company, limited by shares, incorporated in Scotland with registration number SC111020. The registered office is 9 Riverside Court, Coal Road, Cupar, Fife, KY15 5JY.

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 Going concern

The going concern basis of accounting is appropriate and there are no material uncertainties.

2.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. In respect of work which a contract for sale applies, turnover represents that part of the contract value attributable to the stage reached at the balance sheet date. Where no contract exists turnover represents the total sales value legally completed transactions in the period. The following criteria must also be met before turnover is recognised:

Rendering of services; Turnover 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 turnover 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.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.6 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 Statement of financial position 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 reporting date.

2.8 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 30 APRIL 2020

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

Depreciation is provided on the following basis:

Plant and machinery	-	15% per annum of net book value
Motor vehicles	-	25% per annum of net book value
Fixtures and fittings	-	15% per annum of net book value
Computer equipment	-	33.33% of net book value

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 profit or loss.

2.9 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 reporting 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.

2.10 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 ordinary shares.

2.11 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.

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2019 - 8).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 May 2019	54,467	81,938	5,328	11,184	152,917
Additions	-	-	-	340	340
At 30 April 2020	<u>54,467</u>	<u>81,938</u>	<u>5,328</u>	<u>11,524</u>	<u>153,257</u>
Depreciation					
At 1 May 2019	49,898	54,434	3,236	11,184	118,752
Charge for the year on owned assets	684	6,876	313	113	7,986
At 30 April 2020	<u>50,582</u>	<u>61,310</u>	<u>3,549</u>	<u>11,297</u>	<u>126,738</u>
Net book value					
At 30 April 2020	<u>3,885</u>	<u>20,628</u>	<u>1,779</u>	<u>227</u>	<u>26,519</u>
At 30 April 2019	<u>4,569</u>	<u>27,504</u>	<u>2,092</u>	<u>-</u>	<u>34,165</u>

5. Debtors

	2020 £	2019 £
Trade debtors	33,263	79,964
Other debtors	8,847	1,744
Prepayments and accrued income	1,871	1,089
	<u>43,981</u>	<u>82,797</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	9,063	27,237
Other taxation and social security	39,805	22,059
Other creditors	22,839	29,522
Accruals and deferred income	5,745	8,697
	<u>77,452</u>	<u>87,515</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

7. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
7,832 (2019 - 7,832) Ordinary shares of £1 each shares of £1.00 each	<u>7,832</u>	<u>7,832</u>

8. Government grants

During the year the business was in receipt of the following revenue grants in relation to COVID-19 pandemic: Coronavirus job retention scheme of £18,309 and small business grant fund of £10,000.

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