

REGISTERED NUMBER: SC205181 (Scotland)

Financial Statements for the Year Ended 30 November 2016

for

KELVIN STEELS LIMITED

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for the Year Ended 30 November 2016

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KELVIN STEELS LIMITED

Company Information
for the Year Ended 30 November 2016

DIRECTORS:

B F A Nugent
Mrs C R P Nugent
H B Nugent

SECRETARY:

W T Nugent

REGISTERED OFFICE:

Caledonia House
Thornliebank Industrial Estate
Glasgow
G46 8JT

REGISTERED NUMBER:

SC205181 (Scotland)

SENIOR STATUTORY AUDITOR:

Robert Pollock BA CA

AUDITORS:

Sharles Audit Limited
Statutory Auditor
29 Brandon Street
Hamilton
ML3 6DA

KELVIN STEELS LIMITED (REGISTERED NUMBER: SC205181)

Balance Sheet
30 November 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		<u>217,148</u>		<u>143,897</u>
			217,148		143,897
CURRENT ASSETS					
Stocks		530,810		710,957	
Debtors	7	1,557,876		1,303,140	
Cash at bank		<u>476,604</u>		<u>683,487</u>	
		2,565,290		2,697,584	
CREDITORS					
Amounts falling due within one year	8	<u>843,346</u>		<u>760,603</u>	
NET CURRENT ASSETS			<u>1,721,944</u>		<u>1,936,981</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,939,092		2,080,878
PROVISIONS FOR LIABILITIES			<u>722,648</u>		<u>770,322</u>
NET ASSETS			<u>1,216,444</u>		<u>1,310,556</u>
CAPITAL AND RESERVES					
Called up share capital			10,000		10,000
Retained earnings			<u>1,206,444</u>		<u>1,300,556</u>
SHAREHOLDERS' FUNDS			<u>1,216,444</u>		<u>1,310,556</u>

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 Board of Directors on 25 August 2017 and were signed on its behalf by:

H B Nugent - Director

Notes to the Financial Statements
for the Year Ended 30 November 2016

1. **STATUTORY INFORMATION**

Kelvin Steels 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.

2. **STATEMENT OF COMPLIANCE**

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. There were no material departures from the standard.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is derived from sales of steel by the company.

Turnover is measured at the fair value of the sales of steel, net of discounts and excluding value added tax, and is recognised at the point that the company obtains the right to consideration.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised evenly over its estimated useful life of four years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on cost, 10% on cost and at varying rates on cost

Tangible fixed assets held for the companies own use are stated at cost less accumulated depreciation and accumulated impairment loss.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Expenditure of £1,000 or more on individual tangible fixed assets is capitalised at cost. Expenditure on assets below this threshold is charged directly to the income statement in the period it is incurred.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell (net realisable value). Costs, which comprise direct production costs, are based on the method appropriate to the type of inventory class, but usually on a first-in-first-out basis. Overheads are charged to the income statement as incurred. Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amounts of stocks recognised as an expense in the period in which the reversal occurs.

Notes to the Financial Statements - continued
for the Year Ended 30 November 2016

3. **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 balance sheet date.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Pension costs and other post-retirement benefits

The company makes contributions to a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

4. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 34 .

5. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 December 2015	
and 30 November 2016	<u>68,252</u>
AMORTISATION	
At 1 December 2015	
and 30 November 2016	<u>68,252</u>
NET BOOK VALUE	
At 30 November 2016	<u>-</u>
At 30 November 2015	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 30 November 2016

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 December 2015	50,621	621,591	672,212
Additions	119,970	22,764	142,734
Disposals	-	(2,876)	(2,876)
At 30 November 2016	<u>170,591</u>	<u>641,479</u>	<u>812,070</u>
DEPRECIATION			
At 1 December 2015	33,916	494,399	528,315
Charge for year	7,461	59,146	66,607
At 30 November 2016	<u>41,377</u>	<u>553,545</u>	<u>594,922</u>
NET BOOK VALUE			
At 30 November 2016	<u>129,214</u>	<u>87,934</u>	<u>217,148</u>
At 30 November 2015	<u>16,705</u>	<u>127,192</u>	<u>143,897</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	900,627	993,409
Amounts owed by group undertakings	582,995	234,468
Other debtors	74,254	75,263
	<u>1,557,876</u>	<u>1,303,140</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	466,100	235,232
Taxation and social security	76,582	124,114
Other creditors	300,664	401,257
	<u>843,346</u>	<u>760,603</u>

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Robert Pollock BA CA (Senior Statutory Auditor)
for and on behalf of Charles Audit Limited

Notes to the Financial Statements - continued
for the Year Ended 30 November 2016

10. RELATED PARTY DISCLOSURES

The company's related parties are considered to be Eaststrand Ltd, Arran Holdings limited, Weststrand Limited and Kelvin Steels (England) Limited. Eaststrand Limited has a common director and beneficial shareholder and Arran Holdings Limited is a subsidiary of Eaststrand Limited. Weststrand Limited is the company's ultimate parent company, and Kelvin Steels (England) Limited is a fellow subsidiary.

The company leases its premises from Arran Holdings Limited. During the year rent of £150,000 (2015 - £150,000) was paid to Arran Holdings Limited under the terms of the lease. Also, £15,000 (2015 - £15,000) was paid to this company in respect of management fees. £18,000 was due to this company at the year end (2015 - £nil)

There were no transactions or balances at the year end with Inox Alloys Limited.

Exemption has been taken from disclosing related party transactions with Weststrand Limited and Kelvin Steels (England) Limited on the basis that consolidated financial statements have been prepared for the group headed by the company's parent, Weststrand Limited.

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.