

Report of the Directors and

Financial Statements for the year ended 31st August

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For

T. A. & W. N. WOOD CONTRACTORS LIMITED



T. A. & W. N. WOOD CONTRACTORS LIMITED

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T. A. & W. N. WOOD CONTRACTORS LIMITED

COMPANY INFORMATION

:

FIRST YEAR ENDED 31ST AUGUST 2016

DIRECTORS:

Thomas Andrew Wood

William Neil Wood

SECRETARY:

Jordan Companies Secretaries Limited

REGISTERED OFFICE:

Octofad
Port Charlotte
Isle of Islay
Argyll PA48 7UE

REGISTERED NUMBER:

SC 424711

AUDITORS:

None. Exempt under Section 477 of
the Companies Act 2006.

ACCOUNTANTS:

Roland Worthington-Eyre, F.C.A.,
Chartered Accountant,
Kildalton,
Port Ellen,
Isle of Islay,
Argyll PA42 7EF.

T. A. & W. N. WOOD CONTRACTORS LIMITED

REPORT OF THE DIRECTORS

:

YEAR ENDED 31ST AUGUST 2016

The directors present their report with the financial statements of the company for the year ended 31st August 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of agricultural and industrial building and plant hire contractors on the island of Islay.

DIRECTORS

The directors during the year under review were:

Wood, Thomas Andrew

Wood, William Neil

The beneficial interests of the directors holding office on 31st August 2016 in the issued share capital of the company were as follows:

<u>Ordinary £1 Shares</u>	<u>31.08.15</u>	<u>31.08.16</u>
Wood, Thomas Andrew	25	25
Wood, William Neil	25	25

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statement for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDIT

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2016. The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2016 in accordance with Section 476 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

ON BEHALF OF THE BOARD

Thomas A. Wood, DIRECTOR.
W Neil Wood DIRECTOR

Dated 28th October 2016

T. A. & W. N. WOOD CONTRACTORS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST AUGUST 2016

<u>Notes</u>	<u>2015</u> £	<u>2016</u> £
<u>TURNOVER</u>	853,832	1,183,551
<u>COST OF SALES</u>	701,197	990,704
<u>GROSS PROFIT</u>	152,635	192,847
<u>OVERHEAD EXPENSES</u>	83,731	92,511
<u>PROFIT BEFORE FINANCE CHARGES</u>	68,904	100,336
<u>FINANCE CHARGES</u>	37,268	28,286
<u>PROFIT BEFORE EXCEPTIONAL ITEMS</u>	31,636	72,050
<u>EXCEPTIONAL ITEMS</u>	2,997	-
<u>PROFIT BEFORE TAXATION</u>	28,639	72,050
<u>TAXATION</u>	192	7,009
<u>PROFIT AFTER TAXATION</u>	28,447	65,041
<u>DIVIDENDS PAID OUT</u>	-	-
	28,447	65,041
<u>RETAINED PROFIT BROUGHT FORWARD</u>	149,833	178,280
<u>RETAINED PROFIT CARRIED FORWARD</u>	£178,280	£ 243,321

The Notes form part of these financial statements.

T. A. & W. N. WOOD CONTRACTORS LIMITED

BALANCE SHEET

AT 31ST AUGUST 2016

<u>EMPLOYMENT OF FUNDS</u>	<u>Notes</u>	<u>2015</u> £	<u>2016</u> £
FIXED ASSETS			
Tangible assets		66,225	497,842
Goodwill		-	-
		<u>66,225</u>	<u>497,842</u>
CURRENT ASSETS			
Stocks		153,753	50,000
Debtors		92,505	166,132
Cash at bank		<u>22,698</u>	<u>105,525</u>
		<u>268,956</u>	<u>321,657</u>
CURRENT LIABILITIES			
Creditors - amounts due within one year		<u>134,268</u>	<u>446,494</u>
NET CURRENT ASSETS (LIABILITIES)		<u>134,688</u>	<u>(124,837)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		200,913	373,005
OTHER LIABILITIES			
Creditors - amounts due after one year		<u>22,583</u>	<u>129,634</u>
<u>NET ASSETS</u>		<u>£178,330</u>	<u>£143,371</u>
 <u>SOURCE OF FUNDS</u>			
CAPITAL AND RESERVES			
Called up share capital		50	50
Loan capital		-	-
Capital reserves		-	-
Revenue reserves		<u>178,280</u>	<u>243,321</u>
<u>SHAREHOLDERS' FUNDS</u>		<u>£178,330</u>	<u>£243,371</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

For the year ended 31st August 2016 the company was entitled to exemption under Section 477 of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with Section 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the Accounts.

ON BEHALF OF THE BOARD

THOMAS ANDREW WOOD

- DIRECTOR

Thomas A. Wood

WILLIAM NEIL WOOD

- DIRECTOR

W Neil Wood

Approved by the Board on 28th October 2016.

The Notes form part of these financial statements.

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2016

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of materials and labour excluding value added tax.

Tangible Fixed Assets

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

Plant and machinery	18%
Lorries	18%

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value.

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

Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire Purchase and Leasing Commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Profit and Loss Account over the relevant period. The capital element of the future payments is treated as a liability.

2. OPERATING (LOSS)/PROFIT

The operating profit is stated AFTER charging:

	<u>2015</u>	<u>2016</u>
	£	£
Depreciation - owned assets	7,735	34,742
Depreciation - assets on hire purchase contracts	14,340	74,540
Auditor's remuneration	-	-
	<u> </u>	<u> </u>
Directors' emoluments & benefits	£ NIL	£ NIL
	<u> </u>	<u> </u>

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

: YEAR ENDED 31ST AUGUST 2016

	<u>2015</u>	<u>2016</u>
	£	£
7. <u>CREDITORS</u>		
Amounts falling due within one year.		
Bank loan - batching plant	-	60,392
Trade creditors	71,727	43,224
Other creditors	6,600	4,598
Hire purchase contracts (Note 10)	14,334	92,177
Due to farm partnership TA & WN Wood	24,575	190,905
Net VAT payable	15,617	53,207
PAYE/NIC	1,415	1,991
Corporation tax due (Note 3)	-	-
Other	-	-
<u>BALANCE SHEET</u>	<u>£134,268</u>	<u>£446,494</u>

8. CREDITORS

Amounts falling due after one year.

Hire purchase contracts (Note 10)	22,583	129,634
Loans	-	-
<u>BALANCE SHEET</u>	<u>£ 22,583</u>	<u>£129,634</u>

9. CALLED UP SHARE CAPITAL

Authorised

<u>Number</u>	<u>Class</u>	<u>Nominal Value</u>	<u>2015</u>	<u>2016</u>
100	Ordinary	£1	£ 100	£ 100

Allocated, issued and fully paid

<u>Number</u>	<u>Class</u>	<u>Nominal Value</u>	<u>2015</u>	<u>2016</u>
50	Ordinary	£1	£ 50	£ 50

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2016

10. HIRE PURCHASE

		<u>P&L</u> <u>ACCOUNT</u> £	<u>BALANCE</u> <u>SHEET</u> £
A. <u>BNP</u>			
<u>Purchase</u>	: 30.11.12 -		
<u>Cost</u>	: £15,000 plus VAT - £3,000 less deposit £4,500.		
<u>Term</u>	: 24 months. HP Loan - £13,500.		
<u>Repayment</u>	: £614.00 - representing capital £562.50 & interest £51.50.		
Loan balance - 01.09.15			NIL
<u>Y/e 31.8.16</u>			
Interest	4 months x £ 51.50	-	-
Repaid	4 months x £614.00		(-)
		<u>NIL</u>	<u>NIL</u>
B. <u>LLOYDS BANK</u>			
<u>Purchase</u>	: Scania lorry BX08.		
<u>Cost</u>	: £44,500 plus VAT - £8,900 less deposit £13,400.		
<u>Term</u>	: 48 months. HP Loan - £40,000.		
<u>Repayment</u>	: £926.61 - representing capital £833.33 & interest £93.28.		
Loan balance - 01.09.15			25,000
<u>Y/e 31.8.16</u>			
Interest	12 months x £ 93.28	1,119	1,119
Repaid	12 months x £926.61		(11,119)
		<u>1,119</u>	<u>15,000</u>
C. <u>NORTHRIDGE FINANCE</u>			
<u>Purchase</u>	: Tipping trailer.		
<u>Cost</u>	: £15,550 plus VAT - £3,110 less deposit £5,660.		
<u>Term</u>	: 36 months. HP Loan - £13,000.		
<u>Repayment</u>	: £361.11 per month - representing capital £325.22 & interest £35.89.		
Loan balance - 01.09.15			11,917
<u>Y/e 31.8.16</u>			
Interest	12 months x £ 35.89	430	430
Repaid	12 months x £397.00		(4,764)
		<u>430</u>	<u>7,583</u>
<u>TOTALS CARRIED FORWARD</u>		<u>1,549</u>	<u>22,583</u>

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS :

YEAR ENDED 31ST AUGUST 2016

10. <u>HIRE PURCHASE</u>	<u>P&L</u> <u>ACCOUNT</u>	<u>BALANCE</u> <u>SHEET</u>
	£	£
TOTALS BROUGHT FORWARD	1,549	22,583
D. <u>LLOYDS FINANCE</u>		
<u>Purchase</u> : Toyota Pick-up SJ65		
<u>Cost</u> : £20,749 plus VAT - £4,094, Deposit £6,843.		
<u>Term</u> : 36 months. HP Loan - £18,000.		
<u>Repayment</u> : £536.44 - representing Capital £500.00 & Interest £44.00.		
Loan Advance - September 2015		18,000
<u>Y/e 31.8.16</u>		
Interest 10 months x £ 44.00	440	440
Repaid 10 months x £544.00		<u>(5,440)</u>
	<u>440</u>	<u>13,000</u>
E. <u>MACQUARRIE FINANCE</u>		
<u>Purchase</u> : JCB Excavator DD9.		
<u>Cost</u> : £55,950 plus VAT - £11,190, Deposit £16,785.		
<u>Term</u> : 60 months. HP Loan - £50,355.		
<u>Repayment</u> : £1,007.00 - representing Capital £839.25 & Interest £167.75.		
Loan Advance - September 2015		55,355
<u>Y/e 31.8.16</u>		
Interest 12 months x £ 167.75	2,013	2,013
Repaid 12 months x £1,007.00		<u>(12,084)</u>
	<u>2,013</u>	<u>40,284</u>
F. <u>NORTHRIDGE</u>		
<u>Purchase</u> : Scania Topliner PEZ4032.		
<u>Cost</u> : £35,500 plus VAT - £7,100, deposit £10,650.		
<u>Term</u> : 36 months. HP Loan - £31,950.		
<u>Repayment</u> : £10k upfront followed by 35 payments of £712.00 - Capital £629.50 & Interest £82.50.		
Loan Advance - October 2015		31,950
<u>Y/e 31.8.16</u>		
Initial payment	82	(10,000)
Interest 9 months x £ 82.50	743	825
Repaid 9 months x £712.00		<u>(6,408)</u>
	<u>825</u>	<u>16,367</u>
TOTALS CARRIED FORWARD	<u>4,827</u>	<u>92,234</u>

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS :

YEAR ENDED 31ST AUGUST 2016

10. <u>HIRE PURCHASE</u>	P&L ACCOUNT	BALANCE SHEET
	£	£
<u>TOTALS BROUGHT FORWARD</u>	4,827	92,234
G. <u>NORTHRIDGE</u>		
<u>Purchase</u>	: Turbodan Grain Dryer.	
<u>Cost</u>	: £50,575 plus VAT - £10,115, Deposit £15,173.	
<u>Term</u>	: 48 months. HP Loan - £45,517.	
<u>Repayment</u>	: £1,066.00 - representing Capital £948.27 & Interest £117.73.	
Loan Advance - October 2015		45,517
<u>Y/e 31.8.16</u>		
Interest 11 months x £ 117.73	1,295	1,295
Repaid 11 months x £1,066.00		<u>(11,726)</u>
	<u>1,295</u>	<u>35,086</u>
H. <u>LLOYDS FINANCE</u>		
<u>Purchase</u>	: 2 Cement Mixers.	
<u>Cost</u>	: £32,800 plus VAT - £6,560, Deposit £17,360.	
<u>Term</u>	: 12 months. HP Loan - £22,000.	
<u>Repayment</u>	: £1,881.00 - representing Capital £1,833.33 & Interest £47.67.	
Loan Advance - November 2015		22,000
<u>Y/e 31.8.16</u>		
Interest 9 months x £ 47.67	429	429
Repaid 9 months x £1,881.00		<u>(16,929)</u>
	<u>429</u>	<u>5,500</u>
I. <u>HITACHI FINANCE</u>		
<u>Purchase</u>	: Tipping Trailer 64YD.	
<u>Cost</u>	: £7,500 plus VAT - £1,500, Deposit £2,250.	
<u>Term</u>	: 24 months. HP Loan - £6,750.	
<u>Repayment</u>	: £305.00 - representing Capital £281.25 & Interest £67.50.	
Loan Advance - November 2015		6,750
<u>Y/e 31.8.16</u>		
Interest 9 months x £ 67.50	214	214
Repaid 9 months x £305.00		<u>(2,745)</u>
	<u>214</u>	<u>4,219</u>
<u>TOTALS CARRIED FORWARD</u>	<u>6,765</u>	<u>137,039</u>

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2016

10. HIRE PURCHASE

<u>P&L</u> <u>ACCOUNT</u>	<u>BALANCE</u> <u>SHEET</u>
£	£
TOTALS BROUGHT FORWARD	137,039
6,765	

J. BNP FINANCE

<u>Purchase</u>	: Hitachi Excavator DD4.		
<u>Cost</u>	: £28,000 plus VAT - £5,600, Deposit £8,400.		
<u>Term</u>	: 12 months. HP Loan - £25,200.		
<u>Repayment</u>	: £10k upfront followed by 11 payments of £1,870.00 Capital £1,389.17 & Interest £80.83.		
Loan Advance - November 2015			25,200
<u>Y/e 31.8.16</u>			
Initial payment		81	(10,000)
Interest 8 months x £ 80.83		647	647
Repaid 8 months x £1,389.17			<u>(11,679)</u>
		<u>728</u>	<u>4,168</u>

K. LLOYDS FINANCE

<u>Purchase</u>	: Scania Lorry SF09.		
<u>Cost</u>	: £42,000 plus VAT - £8,400, Deposit £15,400.		
<u>Term</u>	: 36 months. HP Loan - £35,000.		
<u>Repayment</u>	: £1,063.00 - representing Capital £972.22 & Interest £90.78.		
Loan Advance - April 2016			35,000
<u>Y/e 31.8.16</u>			
Interest 4 months x £ 90.78		363	363
Repaid 4 months x £1,063.00			<u>(4,252)</u>
		<u>363</u>	<u>31,111</u>

L. SOCIETE GENERALE

<u>Purchase</u>	: Peat Machines (2) plus 1 Harvester.		
<u>Cost</u>	: £96,000 plus VAT - £19,200, Deposit £59,250.		
<u>Term</u>	: 36 months. HP Loan - £55,860.		
<u>Repayment</u>	: £1,726.00 - representing Capital £1,546.67 & Interest £179.33.		
Loan Advance - April 2016			55,680
<u>Y/e 31.8.16</u>			
Interest 4 months x £ 179.33		717	717
Repaid 4 months x £1,726.00			<u>(6,904)</u>
		<u>717</u>	<u>49,493</u>
TOTALS CARRIED FORWARD		<u>8,573</u>	<u>221,811</u>

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2016

10. HIRE PURCHASE

	<u>P&L</u> <u>ACCOUNT</u>	<u>BALANCE</u> <u>SHEET</u>
	£	£
TOTALS BROUGHT FORWARD	8,573	221,811

ADD

Acceptance/Admin fees on
HP contracts

920
9,493

ADD

HP interest transferred
from Farm business
Y/e 31.8.16

6,001

PROFIT & LOSS ACCOUNT

£ 15,494

BALANCE SHEET

£221,811

SUMMARY

HP Debt Due Within One Year

92,177

HP Debt Due More Than One Year

129,634

£221,811

11. BANK LOAN

Purpose : To purchase large capacity
Cement Batching Plant.

Cost : £100,000 plus VAT £20,000.

Term : 12 months.

Repayment : £10,146 per month

Loan Advance - 01.02.16

120,000

Y/e 31.8.16

Interest charged

1,265

1,265

Repaid 6 months x £10,146

(60,873)

PROFIT & LOSS ACCOUNT

£ 1,265

BALANCE SHEET

£ 60,392

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2016

12. <u>DETAILED PROFIT AND LOSS ACCOUNT</u>	<u>NOTES</u>	<u>2016</u> £	<u>2015</u> £
<u>TURNOVER (2016 : Contracting £1,058,170 + Feed Sold £125,381)</u>		<u>1,183,551</u>	<u>853,832</u>
<u>COST OF SALES</u>			
Materials purchased		238,034	85,573
Feed & draft purchased for re-sale		101,355	118,865
Haulage - ferry charges		104,209	51,746
Tipping charges		5,907	3,607
Plant expenses		77,446	59,607
Diesel and oil		91,535	82,486
Pant hire		63,496	147,230
Sub-contractors		9,829	1,205
Depreciation - plant	4	105,547	22,075
Labour		<u>193,346</u>	<u>128,803</u>
		<u>990,704</u>	<u>701,197</u>
<u>GROSS PROFIT</u>		<u>192,847</u>	<u>152,635</u>
		(16%)	(18%)
<u>OVERHEAD EXPENSES</u>			
Administrative wages		7,000	8,000
Rent and rates		10,000	36,000
Use of house as office		2,000	2,000
Electricity		4,000	2,080
Insurance		31,573	23,764
Motor expenses		4,705	-
Telephone		530	604
Property maintenance		15,459	1,584
Travel and subsistence		3,463	732
Accountancy		3,500	3,000
Other professional fees		1,778	1,573
Bad debt		-	-
Protective clothing		1,769	1,141
Training		930	2,619
Stationery, postage, IT, advertising		1,516	591
Depreciation - vehicles	4	3,735	-
Loss on vehicle(s) sold		-	-
Sundry other		<u>553</u>	<u>103</u>
		<u>92,511</u>	<u>83,731</u>
<u>PROFIT BEFORE FINANCE CHARGES</u>		<u>100,336</u>	<u>68,904</u>
<u>FINANCE CHARGES</u>			
Bank interest		1,403	506
Bank charges		2,942	1,046
HP interest	10	15,494	7,883
Leasing charges		7,182	27,833
Bank loan interest	11	<u>1,265</u>	-
		<u>28,286</u>	<u>37,268</u>
<u>NET PROFIT BEFORE EXCEPTIONAL ITEMS</u>		<u>72,050</u>	<u>31,636</u>
<u>EXCEPTIONAL ITEMS</u>			
VAT surcharge		-	2,997
<u>NET PROFIT FOR YEAR</u>		<u>£ 72,050</u>	<u>£ 28,639</u>
		(6%)	(3%)

T. A. & W. N. WOOD CONTRACTORS LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2016

13. <u>PLANT AND MACHINERY</u>	<u>HP</u>	<u>AT COST</u>	£	£
<u>At 1st September 2015</u>				
			15,000	
. Tipping trailer	HP		15,500	
. Other			<u>31,040</u>	
				61,590
<u>Additions, Y/e 31.8.16</u>				
. Peat trailer - 2			23,400	
. JCB excavator	HP		55,950	
. Turbodan grain dryer	HP		50,575	
. Cement mixers - 2	HP		32,800	
. Silo - batching plant	(Bank Loan)		99,000	
. Peat machines & harvester	HP		96,000	
. Generator			8,000	
. Tipping trailer	HP		7,500	
. Hitachi excavator	HP		28,000	
. Container			1,750	
			1,500	
. JCB bucket - s/h			375	
. Honda quad bike			5,250	
. Quarry breaker			3,150	
. Fuel bowser			1,250	
			<u>3,000</u>	
				<u>417,500</u>
				<u>£ 479,090</u>
14. <u>LORRIES</u>				
<u>At 1st September 2015</u>				
. Scania lorry BX08	HP		<u>44,500</u>	
				44,500
<u>Additions, Y/e 31.8.16</u>				
. Scania Topliner PE24032	HP		35,500	
. Scania lorry SF09	HP		42,000	
. Scania lorry			12,150	
. Scania lorry			<u>13,000</u>	
				<u>102,650</u>
				<u>£ 147,500</u>