

Drummond Heating Limited

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

Drummond Heating Limited

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Drummond Heating Limited
(Registration number: 07556814)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>5</u>	65,442	82,956
Current assets			
Debtors	<u>6</u>	51,390	129,566
Cash at bank and in hand		62,849	60,954
		114,239	190,520
Creditors: Amounts falling due within one year	<u>7</u>	(139,677)	(180,207)
Net current (liabilities)/assets		(25,438)	10,313
Total assets less current liabilities		40,004	93,269
Creditors: Amounts falling due after more than one year	<u>7</u>	(29,694)	(78,034)
Net assets		<u>10,310</u>	<u>15,235</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		10,210	15,135
Total equity		<u>10,310</u>	<u>15,235</u>

For the financial year ending 31 March 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 21 December 2017 and signed on its behalf by:

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Miss Heidi Drummond

The notes on pages 2 to 6 form an integral part of these financial statements.

Drummond Heating Limited

Notes to the Financial Statements for the Year Ended 31 March 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:

6A Old Station Annexe
Dean Hill Park West Dean
Salisbury
Wiltshire
SP5 1EZ
United Kingdom

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.

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.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

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
Freehold land and buildings	20% straight line
Plant and machinery	10%-33% reducing balance
Motor vehicles	25% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Drummond Heating Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight line

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

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.

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 10 (2016 - 13).

Drummond Heating Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2016	20,000	20,000
At 31 March 2017	20,000	20,000
Amortisation		
At 1 April 2016	20,000	20,000
At 31 March 2017	20,000	20,000
Carrying amount		
At 31 March 2017	-	-

5 Tangible assets

	Land and buildings £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 April 2016	10,690	139,854	112,736	263,280
Additions	-	14,300	210	14,510
Disposals	-	(28,804)	-	(28,804)
At 31 March 2017	10,690	125,350	112,946	248,986
Depreciation				
At 1 April 2016	10,690	69,230	100,404	180,324
Charge for the year	-	17,731	2,142	19,873
Eliminated on disposal	-	(16,653)	-	(16,653)
At 31 March 2017	10,690	70,308	102,546	183,544
Carrying amount				
At 31 March 2017	-	55,042	10,400	65,442
At 31 March 2016	-	70,624	12,332	82,956

6 Debtors

	2017 £	2016 £
Trade debtors	46,802	123,606
Other debtors	4,588	5,960
	<hr/>	<hr/>
Total current trade and other debtors	<u>51,390</u>	<u>129,566</u>

Drummond Heating Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	9	22,584	22,874
Trade creditors		46,731	116,973
Taxation and social security		19,645	19,435
Other creditors		50,717	20,925
		<u>139,677</u>	<u>180,207</u>
Due after one year			
Loans and borrowings	9	<u>29,694</u>	<u>78,034</u>

8 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary Shares of £1 each	60	60	60	60
Ordinary A Shares of £1 each	30	30	30	30
Ordinary B Shares of £1 each	10	10	10	10
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	29,694	53,034
Redeemable preference shares	-	25,000
	<u>29,694</u>	<u>78,034</u>

Drummond Heating Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

	2017	2016
	£	£
Current loans and borrowings		
Finance lease liabilities	23,121	17,691
Other borrowings	(537)	5,183
	<u>22,584</u>	<u>22,874</u>

10 Transition to FRS 102

This is the first year that the company has prepared its results under FRS 102 Section 1A (Small Entities). The last financial statements under the UK GAAP were for the year ended 31 March 2016. The date of transition to FRS 102 Section 1A (Small Entities) was 1 April 2015. The changes in accounting policies have no impact to the profit and the total equity as at 1 April 2015 and 31 March 2016 between UK GAAP as previously reported and FRS 102.

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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.