

# Drummond Heating Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2018

**Drummond Heating Limited**

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# Drummond Heating Limited

(Registration number: 07556814)

## Statement of Financial Position as at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	30,781	65,441
<b>Current assets</b>			
Debtors	<u>6</u>	77,594	51,925
Cash at bank and in hand		50,969	62,849
		<u>128,563</u>	<u>114,774</u>
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(159,297)</u>	<u>(140,213)</u>
<b>Net current liabilities</b>		<u>(30,734)</u>	<u>(25,439)</u>
<b>Total assets less current liabilities</b>		47	40,002
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(5,912)</u>	<u>(29,694)</u>
<b>Net (liabilities)/assets</b>		<u><u>(5,865)</u></u>	<u><u>10,308</u></u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	100	100
Profit and loss account		<u>(5,965)</u>	<u>10,208</u>
<b>Total equity</b>		<u><u>(5,865)</u></u>	<u><u>10,308</u></u>

For the financial year ending 31 March 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 Income Statement has been taken.

Approved and authorised by the Board on 11 December 2018 and signed on its behalf by:

.....

Miss Heidi Drummond  
Director

The notes on pages 2 to 7 form an integral part of these financial statements.  
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# **Drummond Heating Limited**

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

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.

#### **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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current 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 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 taxable income.

#### **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.

# **Drummond Heating Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2018**

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
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.

### **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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
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 Income Statement 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 Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

# **Drummond Heating Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2018**

### **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 an 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 8 (2017 - 10).

# Drummond Heating Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2017	20,000	20,000
At 31 March 2018	20,000	20,000
<b>Amortisation</b>		
At 1 April 2017	20,000	20,000
At 31 March 2018	20,000	20,000
<b>Carrying amount</b>		
At 31 March 2018	-	-

### 5 Tangible assets

	Land and buildings £	Motor vehicles £	Other tangible assets £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	10,690	125,350	112,945	248,985
Disposals	-	(45,929)	(109,996)	(155,925)
At 31 March 2018	10,690	79,421	2,949	93,060
<b>Depreciation</b>				
At 1 April 2017	10,690	70,308	102,546	183,544
Charge for the year	-	10,734	201	10,935
Eliminated on disposal	-	(31,738)	(100,462)	(132,200)
At 31 March 2018	10,690	49,304	2,285	62,279
<b>Carrying amount</b>				
At 31 March 2018	-	30,117	664	30,781
At 31 March 2017	-	55,042	10,399	65,441

# Drummond Heating Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 6 Debtors

	2018 £	2017 £
Trade debtors	76,919	46,802
Prepayments	175	3,513
Other debtors	500	1,610
	<u>77,594</u>	<u>51,925</u>

### 7 Creditors

#### Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	23,782	23,121
Trade creditors		46,872	46,731
Taxation and social security		22,423	19,645
Accruals and deferred income		5,242	3,665
Other creditors		60,978	47,051
		<u>159,297</u>	<u>140,213</u>

#### Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
<b>Due after one year</b>			
Loans and borrowings	9	<u>5,912</u>	<u>29,694</u>

### 8 Share capital

#### Allotted, called up and fully paid shares

	2018		2017	
	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>



# Drummond Heating Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 9 Loans and borrowings

	2018 £	2017 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	<u>5,912</u>	<u>29,694</u>
<b>Current loans and borrowings</b>		
Finance lease liabilities	<u>23,782</u>	<u>23,121</u>

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