

Unaudited Financial Statements for the Year Ended 28 February 2023

for

Ayrshire Steels Limited

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for the Year Ended 28 February 2023**

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Ayrshire Steels Limited

**Company Information
for the Year Ended 28 February 2023**

DIRECTORS:

Robert Baxter
Valerie Anne Baxter

SECRETARY:

Valerie Anne Baxter

REGISTERED OFFICE:

35 Glenburn Road
Prestwick
South Ayrshire
KA9 2NS

REGISTERED NUMBER:

SC105331 (Scotland)

ACCOUNTANTS:

The Collins Partnership
Chartered Accountants
Westburn Business Centre
McNee Road
Prestwick
Ayrshire
KA9 2PB

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Ayrshire Steels Limited**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Profit and loss and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Ayrshire Steels Limited for the year ended 28 February 2023 which comprise the Profit and Loss, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of Ayrshire Steels Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Ayrshire Steels Limited and state those matters that we have agreed to state to the Board of Directors of Ayrshire Steels Limited, as a body, in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Ayrshire Steels Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Ayrshire Steels Limited. You consider that Ayrshire Steels Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Ayrshire Steels Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

The Collins Partnership
Chartered Accountants
Westburn Business Centre
McNee Road
Prestwick
Ayrshire
KA9 2PB

4 July 2023

Balance Sheet
28 February 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4		72,039		83,760
CURRENT ASSETS					
Stocks		199,900		189,400	
Debtors	5	117,415		93,417	
Cash at bank and in hand		<u>139,101</u>		<u>151,132</u>	
		456,416		433,949	
CREDITORS					
Amounts falling due within one year	6	<u>172,120</u>		<u>124,094</u>	
NET CURRENT ASSETS			<u>284,296</u>		<u>309,855</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			356,335		393,615
CREDITORS					
Amounts falling due after more than one year	7		(47,107)		(92,430)
PROVISIONS FOR LIABILITIES			<u>(7,685)</u>		<u>(1,632)</u>
NET ASSETS			<u><u>301,543</u></u>		<u><u>299,553</u></u>
CAPITAL AND RESERVES					
Called up share capital			5,000		5,000
Retained earnings			<u>296,543</u>		<u>294,553</u>
SHAREHOLDERS' FUNDS			<u><u>301,543</u></u>		<u><u>299,553</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
28 February 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 4 July 2023 and were signed on its behalf by:

Robert Baxter - Director

**Notes to the Financial Statements
for the Year Ended 28 February 2023**

1. STATUTORY INFORMATION

Ayrshire 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

Going concern

The directors review the working capital requirements of the company on a regular basis, which takes account of current resources, trading performance and future order levels all with a view to ensuring that adequate funds are available to meet obligations as they fall due. Having carried out this exercise the directors are satisfied that the accounts can be prepared on a going concern basis.

Turnover/revenue recognition

Turnover is derived from steel products and related services supplied by the company.

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

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.

Short leasehold	- 20% on cost
Plant and machinery	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Tangible fixed assets are stated at cost less depreciation.

Impairment of fixed assets

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

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss, 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.

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2023**

2. ACCOUNTING POLICIES - continued

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.

Hire purchase and leasing commitments

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the terms of the lease.

Pension costs and other post-retirement benefits

The company operates a money purchase pension scheme in the form of employee personal pension plans. The contracts are between the individual and the pension provider and all funds are held externally by a third party pension provider. Pension contributions are charged to the profit and loss account in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents comprise cash held by the company and short term bank deposits with an original maturity of three months or less from inception and are subject to insignificant risk of changes in value.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7 (2022 - 6) .

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2023**
4. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 March 2022	14,372	117,597	54,998	8,277	195,244
Additions	-	5,840	-	-	5,840
Disposals	-	(1,500)	-	-	(1,500)
At 28 February 2023	<u>14,372</u>	<u>121,937</u>	<u>54,998</u>	<u>8,277</u>	<u>199,584</u>
DEPRECIATION					
At 1 March 2022	1,090	79,718	23,198	7,478	111,484
Charge for year	2,395	5,626	7,950	240	16,211
Eliminated on disposal	-	(150)	-	-	(150)
At 28 February 2023	<u>3,485</u>	<u>85,194</u>	<u>31,148</u>	<u>7,718</u>	<u>127,545</u>
NET BOOK VALUE					
At 28 February 2023	<u>10,887</u>	<u>36,743</u>	<u>23,850</u>	<u>559</u>	<u>72,039</u>
At 28 February 2022	<u>13,282</u>	<u>37,879</u>	<u>31,800</u>	<u>799</u>	<u>83,760</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 March 2022	23,150	28,995	52,145
Transfer to ownership	-	(28,995)	(28,995)
At 28 February 2023	<u>23,150</u>	<u>-</u>	<u>23,150</u>
DEPRECIATION			
At 1 March 2022	3,473	12,686	16,159
Charge for year	2,952	-	2,952
Transfer to ownership	-	(12,686)	(12,686)
At 28 February 2023	<u>6,425</u>	<u>-</u>	<u>6,425</u>
NET BOOK VALUE			
At 28 February 2023	<u>16,725</u>	<u>-</u>	<u>16,725</u>
At 28 February 2022	<u>19,677</u>	<u>16,309</u>	<u>35,986</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	90,952	67,632
Other debtors	<u>26,463</u>	<u>25,785</u>
	<u>117,415</u>	<u>93,417</u>

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2023**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Hire purchase contracts (see note 8)	4,630	7,996
Trade creditors	121,868	79,290
Taxation and social security	17,387	3,841
Other creditors	28,235	32,967
	<u>172,120</u>	<u>124,094</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Hire purchase contracts (see note 8)	11,971	31,859
Other creditors	35,136	60,571
	<u>47,107</u>	<u>92,430</u>

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	4,630	7,996
Between one and five years	11,971	31,859
	<u>16,601</u>	<u>39,855</u>

	Non-cancellable operating leases	
	2023	2022
	£	£
Within one year	57,000	57,000
Between one and five years	28,500	85,500
	<u>85,500</u>	<u>142,500</u>

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2023**

9. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Other loans	60,571	83,848
Hire purchase contracts	<u>16,601</u>	<u>39,855</u>
	<u>77,172</u>	<u>123,703</u>

The hire purchase liabilities are secured over the assets being financed.

The CBILS loan is supported by a 100% guarantee from the UK Government.

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 28 February 2023 and 28 February 2022:

	2023	2022
	£	£
Robert Baxter and Valerie Anne Baxter		
Balance outstanding at start of year	11,536	(110,864)
Amounts advanced	13,927	122,400
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>25,463</u>	<u>11,536</u>

The overdrawn directors' loan account was repaid within 9 months of the year end.

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.