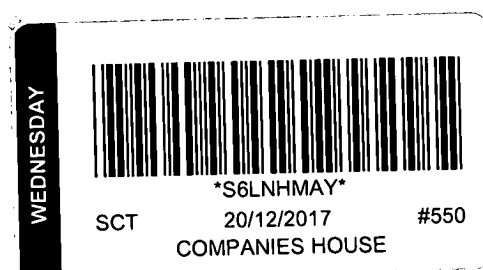


MCLEOD + AITKEN LIMITED

**UNAUDITED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2017

PAGES FOR FILING WITH REGISTRAR



MCLEOD + AITKEN LIMITED

COMPANY INFORMATION

Directors	D Moir	
	C McFadden	
	M H A Shirreffs	
	D W Jack	
	G Jessiman	
	G Butler	(Appointed 29 November 2016)
	M Gordon	(Appointed 29 November 2016)
Secretary	D Moir	
Company number	SC199759	
Registered office	Queens Gate 30 Queens Road ABERDEEN AB15 4YF	
Accountants	Johnston Carmichael LLP Bishop's Court 29 Albyn Place ABERDEEN AB10 1YL	

MCLEOD + AITKEN LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

MCLEOD + AITKEN LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		36,953		90,698
Current assets					
Debtors	4	3,551,132		3,403,495	
Cash at bank and in hand		58,364		66,199	
		<u>3,609,496</u>		<u>3,469,694</u>	
Creditors: amounts falling due within one year	5	<u>(674,857)</u>		<u>(516,199)</u>	
Net current assets			2,934,639		2,953,495
Total assets less current liabilities			2,971,592		3,044,193
Provisions for liabilities			-		(1,357)
Net assets			<u>2,971,592</u>		<u>3,042,836</u>
Capital and reserves					
Called up share capital	6	50,000		50,000	
Profit and loss reserves		2,921,592		2,992,836	
Total equity			<u>2,971,592</u>		<u>3,042,836</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

MCLEOD + AITKEN LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

The financial statements were approved by the board of directors and authorised for issue on 18/12/2017 and are signed on its behalf by:



D Moir
Director

Company Registration No. SC199759

MCLEOD + AITKEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

McLeod + Aitken Limited is a private company limited by shares incorporated in Scotland. The registered office is Queens Gate, 30 Queens Road, ABERDEEN, AB15 4YF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of McLeod + Aitken Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

1.2 Turnover

Turnover represents net fees by reference to the stage of completion of the work. Profit is recognised as the work is carried out if the final outcome can be assessed with reasonable certainty, by including turnover and related costs as the work progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	- 25% on cost
Computer equipment	- 25% on cost
Motor vehicles	- 25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 extent of the impairment loss (if any).

MCLEOD + AITKEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

MCLEOD + AITKEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

The company makes contributions to the Directors Personal Pension Schemes. Contributions paid for the year are charged in the profit and loss account.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 54 (2016 - 51).

MCLEOD + AITKEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2016	454,066
Additions	5,138
Disposals	(12,810)
At 31 March 2017	446,394
Depreciation and impairment	
At 1 April 2016	363,368
Depreciation charged in the year	58,883
Eliminated in respect of disposals	(12,810)
At 31 March 2017	409,441
Carrying amount	
At 31 March 2017	36,953
At 31 March 2016	90,698

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,086,573	1,349,881
Corporation tax recoverable	97,467	22,573
Amounts due from group undertakings	1,994,585	1,729,358
Other debtors	372,507	301,683
	3,551,132	3,403,495

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	228,472	15,423
Trade creditors	56,061	114,734
Amounts due to group undertakings	39,200	-
Corporation tax	54,051	-
Other taxation and social security	215,886	249,405
Other creditors	81,187	136,637
	674,857	516,199

MCLEOD + AITKEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 50,000 Ordinary shares of £1 each	50,000	50,000

7 Financial commitments, guarantees and contingent liabilities

The bank hold floating charges and guarantees over the assets of the company as security for the bank borrowings of McLeod + Aitken (Holdings) Limited.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017 £	2016 £
379,624	410,657

9 Securities granted

Floating charges have been provided to Clydesdale Bank plc and another party covering all property and assets of the company.

10 Directors' transactions

During the year £80,000 was advanced to the directors. At the year end £230,000 (2016 - £150,000) was payable by the directors. The loans are interest free with no fixed terms of repayment.

11 Parent company

The company is a wholly owned subsidiary of McLeod + Aitken (Holdings) Limited.

MCLEOD + AITKEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 April 2015 £	31 March 2016 £
Equity as reported under previous UK GAAP		3,768,783	3,072,371
Adjustments arising from transition to FRS 102: Holiday pay accrual	(a)	(29,492)	(29,535)
Equity reported under FRS 102		<u>3,739,291</u>	<u>3,042,836</u>

Reconciliation of loss for the financial period

	Notes	2016 £
Loss as reported under previous UK GAAP		(416,412)
Adjustments arising from transition to FRS 102: Holiday pay accrual	(a)	(43)
Loss reported under FRS 102		<u>(416,455)</u>

Notes to reconciliations on adoption of FRS 102

(a) Holiday pay accrual

As required under FRS102 a holiday pay accrual has been provided in the financial statements.