Company registration number: SC465245

McConnell Machine Tool Services Limited

Unaudited abridged financial statements

31 December 2016



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23/09/2017 **COMPANIES HOUSE**

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PATERSON BOYD & Co. **Chartered Accountants**

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Directors and other information

Director Lance McConnell

Company number SC465245

Registered office 18 North Street

Glenrothes

Fife KY7 5NA

Accountants Paterson Boyd & Co

Chartered Accountants

18 North Street Glenrothes

Fife KY7 5NA

Bankers TSB

114 High Street

Kirkcaldy Fife KY1 1NQ

Report to the director on the preparation of the unaudited statutory financial statements of McConnell Machine Tool Services Limited Year ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of McConnell Machine Tool Services Limited for the year ended 31 December 2016 which comprise the abridged statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at http://www.icas.org.uk/accountspreparationguidance.

This report is made solely to the director of McConnell Machine Tool Services Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of McConnell Machine Tool Services Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at http://www.icas.org.uk/ accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than McConnell Machine Tool Services Limited and its director as a body for our work or for this report.

It is your duty to ensure that McConnell Machine Tool Services 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 McConnell Machine Tool Services Limited. You consider that McConnell Machine Tool Services 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 McConnell Machine Tool Services 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.

Paterson Boyd & Co Chartered Accountants 18 North Street Glenrothes Fife

KY7 5NA

22 September 2017

Abridged statement of financial position 31 December 2016

2016		2015		
Note	£	£	£	£
5	175		138	
		175		138
	•			
	25,871		24,086	
	34,312		28,141	
	(20,244)		(17,861)	
		14,068		10,280
		14,243		10,418
		(34)		(28)
		14,209		10,390
6		10		10
		14,199		10,380
		14,209		10,390
	5	Note £ 5 175	Note £ £ 5	Note £ £ 5 175 138 175 4,055 25,871 24,086 34,312 28,141 (20,244) (17,861) 14,068 14,243 (34) 14,209 6 10 14,199

Abridged statement of financial position (continued) 31 December 2016

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 22 September 2017, and are signed on behalf of the board by:

Lance McConnell

Director

Company registration number: SC465245

Notes to the financial statements Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in UK. The address of the registered office is 18 North Street, Glenrothes, Fife, KY7 5NA.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Notes to the financial statements (continued) Year ended 31 December 2016

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment

- straight line over three years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Notes to the financial statements (continued) Year ended 31 December 2016

4.	Profit before taxation				
	Profit before taxation is stated after charging/(crediting):				
				2016	2015
				£	£
	Depreciation of tangible assets			<u>226</u>	137
5.	Tangible assets				
	Cost				£
	At 1 January 2016				412
	Additions				263
	At 31 December 2016				675
	Depreciation				
	At 1 January 2016 Charge for the year				274 226
	At 31 December 2016				500
	Carrying amount At 31 December 2016				175
	At 31 December 2015			:	138
6.	Called up share capital				
	Authorised share capital				
		2016		2015	_
	Ordinary shares shares of £ 1.00 each	No 10	£ 10	No 10	£ 10
	Ordinary Shares Shares Of £ 1.00 each	=======================================		=======================================	
	Issued, called up and fully paid				
	· · · · · · · · · · · · · · · · · · ·	2016		2015	
	Outliness shares shares of 0.4.00	No	£	No 40	£
	Ordinary shares shares of £ 1.00 each	10	10	10	10

Notes to the financial statements (continued) Year ended 31 December 2016

7. Directors advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2016				
		Balance brought forward	Advances /(credits) to the director	Amounts repaid	Balance o/standing
		£	£	£	£
Lance McConnell		(62)	76,611 ———	(76,710) ———	(161)
	2015				
		Balance brought forward	Advances /(credits) to the director	Amounts repaid	Balance o/standing
		£	£	£	£
Lance McConnell		(3,546)	88,563	(85,079)	(62)

8. Related party transactions

For the whole of the financial year the company was under the control of its director Lance McConnell.

At the balance sheet date the company was due the sum £161 (2015: £62) to Lance McConnell and during the period dividends of £48,000 (2015: £45,500) were paid to shareholders.

9. Transition to FRS 102

These financial statements for the year ended 31 December 2016 are the company's first financial statements that comply with FRS 102. The company's date of transition to FRS 102 is 1 January 2015. The company's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 December 2015.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.

Statement of consent to prepare abridged financial statements

All of the members of McConnell Machine Tool Services Limited have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the current year ending 31 December 2016 in accordance with Section 444(2A) of the Companies Act 2006.