

Steel Supply Company (Western) Limited

Directors' report and accounts

Registered number 00486993

31 March 2017



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General information

Directors	R S R Jones I A Jones A R Jones
Secretary	I A Jones
Company Number	00486993
Registered Office	10 St James Crescent Uplands Swansea SA1 6DZ

Directors' report

The directors present their report and the accounts for the year ended 31 March 2017.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

R S R Jones
I A Jones
A R Jones

Small company regime

This report has been prepared in accordance with the small companies regime of the Companies Act 2006.

This report was approved by the board of directors on 13 December 2017 and signed on its behalf by


I A Jones
Secretary

Profit and loss account
for the year ended 31 March 2017

	2017 £	2016 £
Turnover	271,392	301,705
Cost of sales	(23,115)	(31,896)
Gross profit	248,277	269,809
Administrative expenses	(180,258)	(155,422)
Other operating income	57,450	38,027
Operating profit	125,469	152,414
Interest payable and similar expenses	(10,658)	(15,366)
Profit before taxation	114,811	137,048
Tax on profit	(25,685)	(28,683)
Profit after taxation	89,126	108,365
Dividends	(140,000)	(140,000)
Loss for the financial year	(50,874)	(31,635)

Balance sheet
at 31 March 2017

	Note	2017	2016
		£	£
Fixed assets			
Tangible assets	3	1,459,571	1,494,310
Investments	4	2,902	2,902
		<u>1,462,473</u>	<u>1,497,212</u>
Current assets			
Debtors	5	231,085	320,290
Cash at bank and in hand		329	39,022
		<u>231,414</u>	<u>359,312</u>
Creditors: amounts falling due within one year	6	<u>(323,881)</u>	<u>(392,044)</u>
Net current (liabilities)/assets		<u>(92,467)</u>	<u>(32,732)</u>
Total assets less current liabilities		<u>1,370,006</u>	<u>1,464,480</u>
Creditors: amounts falling due after more than one year	7	(93,972)	(131,579)
Provisions for liabilities – deferred taxation		(1,573)	(7,566)
		<u>1,274,461</u>	<u>1,325,335</u>
Capital and reserves			
Called up share capital		221,757	221,757
Capital redemption reserve		415,243	415,243
Profit and loss account		637,461	688,335
Shareholders' funds		<u>1,274,461</u>	<u>1,325,335</u>

For the 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.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts,
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

These accounts were approved by the board of directors on 13 December 2017 and were signed on its behalf by:


I A Jones
Director

Notes

(forming part of the accounts)

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost accounting rules in accordance with FRS 102 Section 1A – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Consolidation

The company, being the parent of a small group, is exempt by virtue of section 383 of the Companies Act 2006 from the requirement to prepare group accounts. These accounts present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal annual instalments over their estimated useful economic lives as follows:

Freehold wharves, buildings and fixed plant	-	5-20 years
Motor vehicles	-	4 years
Computer equipment	-	4 years
Other assets	-	10 years

No depreciation is provided on freehold land.

Freehold investment properties

Investment properties are revalued annually and any surplus or deficit is dealt with through profit and loss. No depreciation is provided in respect of investment properties.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes (continued)

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rentals charged to the profit and loss account on a straight line basis over the lives of the leases.

Rents receivable on freehold investment properties under the terms of the operating lease are included in the profit and loss account on a receivable basis.

Pension costs

The company makes payments to defined contribution schemes for eligible staff which are charged to the profit and loss account as they become due.

2 Staff numbers

The average number of persons (including directors) employed by the company during the year was 5 (2016: 5).

3 Tangible fixed assets

	Freehold land	Investment properties	Freehold wharves, buildings and fixed plant	Plant and machinery	Fixtures, fittings, tools and equipment	Total
	£	£	£	£	£	£
Cost						
At beginning of year	65,550	1,307,519	1,129,367	206,986	50,068	2,759,490
Additions	-	-	29,060	-	-	29,060
Disposals	-	-	-	(72,995)	(5,402)	(78,397)
At end of year	65,550	1,307,519	1,158,427	133,991	44,666	2,710,153
Depreciation						
At beginning of year	-	-	1,111,339	119,720	34,121	1,265,180
Charge for the year	-	-	3,816	10,940	4,626	19,382
On disposals	-	-	-	(28,578)	(5,402)	(33,980)
At end of year	-	-	1,115,155	102,082	33,345	1,250,582
Net book value						
At 31 March 2017	65,550	1,307,519	43,272	31,909	11,321	1,459,571
At 31 March 2016	65,550	1,307,519	18,028	87,266	15,947	1,494,310

Notes (continued)

4 Investments (held as fixed assets)

	Shares in group undertakings £	Other investments £	Total £
Cost			
At beginning and end of year	182	2,900	3,082
Provisions			
At beginning and end of year	180	-	180
Net book value			
At 31 March 2017	2	2,900	2,902
At 31 March 2016	2	2,900	2,902

5 Debtors

	2017 £	2016 £
Trade debtors	76,402	155,459
Amounts owed by subsidiary undertakings	19,359	42,730
Other debtors	132,199	116,240
Prepayments and accrued income	3,125	5,861
	231,085	320,290

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank overdraft	22,747	-
Bank loans	35,404	33,998
Trade creditors	25,627	162,573
Other taxes and social security	20,781	10,224
Other creditors	47,537	304
Corporation tax	31,678	35,263
Accruals and deferred income	137,776	128,158
Obligations under hire purchase contracts	2,331	21,524
	323,881	392,044

The bank loans are secured by a fixed and floating charge over the assets of the company.

Notes (continued)

7 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans	92,691	127,967
Obligations under hire purchase contracts	1,281	3,612
	<u>93,972</u>	<u>131,579</u>

Amounts repayable after more than 5 years

	2017 £	2016 £
Bank loans repayable by instalments	<u>27,080</u>	<u>35,615</u>

8 Related party transactions

The directors consider the material transactions undertaken by the company during the year with parties related to the company were as follows:

Name of party	Relationship	Type of transaction	Transaction amount	
			Year to 31 March 2017 £	Year to 31 March 2016 £
Neath Abbey Freight Services Limited	Subsidiary undertaking	Payments on behalf of the related party	77,229	94,353
Neath Abbey Freight Services Limited	Subsidiary undertaking	Net cash receipts from related party	(136,600)	(81,000)
Neath Abbey Freight Services Limited	Subsidiary undertaking	Management time recharge	36,000	-

In addition, the company provides certain assets and finance, management, administration and payroll services to its subsidiaries for which no charges are levied.

The amounts due to and from the company's related parties at the year end and the related provisions are:

Name of party	Relationship	Amount due (to)/from related party at 31 March 2017		Amount due (to)/from related party at 31 March 2016	
		Gross balance £	Provision £	Gross balance £	Provision £
Steel Supply (Property) Limited	Subsidiary undertaking	331,058	(331,058)	331,058	(331,058)
Neath Abbey Freight Services Limited	Subsidiary undertaking	19,359	-	42,730	-
Charterflow Limited	Subsidiary undertaking	29,201	(29,201)	29,201	(29,201)

Notes (continued)

8 Related party transactions (continued)

Other than those shown above, there were no provisions at 31 March 2017 in respect of amounts due to or from related parties and no amounts were written off in the year in respect of amounts due to or from related parties, other than those disclosed above.

During the course of the year, there were the following transactions with directors:

	R S R Jones £
Balance at beginning of year due to company	81,195
Loan advances during the year	158,432
Repayments during the year	(140,000)
Balance at end of year due to company	99,627

No interest was charged on the loans and the maximum amount outstanding during the year was £113,617.

9 Additional information

The company is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. Its registered number is 00486993 and its registered office is 10 St James Crescent, Uplands, Swansea, SA1 6DZ.

The accounts are presented in Sterling which is the functional currency of the company.