

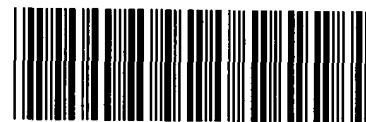
Company registration number: SC064413

Lightways (Contractors) Ltd

Financial statements

31 December 2016

SATURDAY



S6FLRGGZ

SCT

23/09/2017

#637

COMPANIES HOUSE

Lightways (Contractors) Ltd

Contents

	Page
Directors and other information	2
Strategic report	3 - 4
Directors report	5 - 6
Independent auditor's report to the members	7 - 8
Statement of income and retained earnings	9
Statement of financial position	10 - 11
Statement of cash flows	12
Notes to the financial statements	13 - 22

Lightways (Contractors) Ltd

Directors and other information

Directors	James Hornall	
	Steven J Beaton	(Resigned 31 March 2016)
	Denise C Hornall	
	James Wright	
	James M Mckenna	
	Ian C Young	
	Jamie Hornall	
	Nicola Turnbull	
	Helena Swierczek	
Secretary	Ian C Young	
Company number	SC064413	
Registered office	Block 6 Lochlands Industrial Estate Larbert FK5 3NS	
Business address	Block 6 Lochlands Industrial Estate Larbert FK5 3NS	
Auditor	Dickson Middleton 20 Barnton Street Stirling FK8 1NE	
Bankers	Bank of Scotland Unit 15 Howgate Centre Falkirk FK1 1HG	

Lightways (Contractors) Ltd

Strategic report Year ended 31 December 2016

Main Business Objective

The company is an established road surfacing, pothole repair, civils and street lighting, maintenance and installation contractor, including high mast lighting, festive lighting and LED installations. The main objective is to build its reputation through successful completion of profitable and challenging projects. The company is a firm believer that the successful delivery of any project depends upon the ability of all stakeholders to form collaborative partnerships working in a non adversarial manner to provide a completed project which surpasses the client's expectations.

Business Model/Strategy

This family company is built on a solid foundation of tradition and quality and can be relied upon to deliver projects on time to the satisfaction of its clients. The company is experienced in reinstating road surfaces and pothole repairs for both local authorities and utility companies. In addition the company installs new street lighting for local authorities, including high mast lighting, festive lighting, LED installations and maintains existing local authority street lighting infrastructures.

Financial Risk Management and Policies

The company's operations expose it to a variety of financial risks. The directors note that the lighting and road maintenance sectors remain competitive and that inflationary cost pressures require to be kept under close review.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of Directors are implemented by the company's finance department.

Price Risk - Given the size and nature of the company's operation, the costs of managing exposure to commodity price risk exceed the potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Credit Risk/Cash Flow Risk - Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and regular monitoring of amounts outstanding for both time and credit limits.

Liquidity Risk - Trade creditors liquidity risk is managed ensuring sufficient funds are available to meet amounts when due.

Financial Instrument Risk - The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of the company's performance objectives.

Review of the Business

As included in the Statement of Income and Retained Earnings, the turnover for the year under review amounted to £12,109,160. The profit before taxation amounted to £80,123 which the Directors consider a satisfactory result in light of a competitive market place.

The key performance indicator is the forward order book which is in a healthy position at the year end considering the competitive level of tendering.

Lightways (Contractors) Ltd

Strategic report (continued)
Year ended 31 December 2016

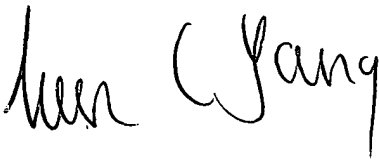
Environmental

The company meets the relevant legislative requirements and regulations and sets quantitative targets for improved environmental performance. Sufficient training is provided to staff in order to ensure that they have the skill required to deliver sustainable and improved environmental performance. The company works with its supply chain to minimise the impact of its operations on the environment. The environmental policy is continually reviewed to ensure it is up to date with the company activities.

Health and Safety

The company maintains a robust health and safety policy and takes the responsibility for protecting the health and safety of all persons who may be affected by operations very seriously. The company is in the process of implementing ISO 18001 with a view to being accredited by the end of 2017.

This report was approved by the board of directors on 19 September 2017 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'Ian C Young', written in a cursive style.

Ian C Young
Secretary

Lightways (Contractors) Ltd

Directors report Year ended 31 December 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Directors

The directors who served the company during the year were as follows:

James Hornall	
Steven J Beaton	(Resigned 31 March 2016)
Denise C Hornall	
James Wright	
James M Mckenna	
Ian C Young	
Jamie Hornall	
Nicola Turnbull	
Helena Swierczek	

Dividends

The directors do not recommend the payment of a dividend.

Future developments

Lightways continue to work with our clients to consider future opportunities to reduce their energy costs and help them achieve energy targets in conjunction with decreasing budgets.

In addition Lightways continue to provide support to the public utility sector and delivery partners on a variety of projects throughout the country as well as helping local authorities with their increasing available budgets to deal with the backlog of maintenance repairs that are required to bring the road networks up to acceptable standards.

Disclosure of information in the strategic report.

The information relating to the main business objectives, business model/strategy, financial risk management and policies, review of the business, environmental and health and safety policies have been included in the Strategic Report in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Lightways (Contractors) Ltd

Directors report (continued) Year ended 31 December 2016

Directors responsibilities statement

The directors are responsible for preparing the strategic report, directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements 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 financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements 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 financial statements 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 19 September 2017 and signed on behalf of the board by:



Ian C Young
Director

Lightways (Contractors) Ltd

Independent auditor's report to the members of Lightways (Contractors) Ltd Year ended 31 December 2016

We have audited the financial statements of Lightways (Contractors) Ltd for the year ended 31 December 2016 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors report for the financial year for which the financial statements are prepared is consistent with the financial statements.

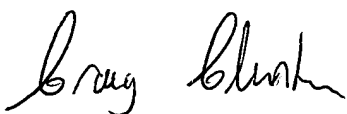
Lightways (Contractors) Ltd

**Independent auditor's report to the members of
Lightways (Contractors) Ltd (continued)
Year ended 31 December 2016**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Craig Clinton (senior statutory auditor)

For and on behalf of
Dickson Middleton
Chartered Accountants and Statutory Auditors
20 Barnton Street
Stirling
FK8 1NE

Lightways (Contractors) Ltd

**Statement of income and retained earnings
Year ended 31 December 2016**

	Note	2016 £	2015 £
Turnover	4	12,109,160	9,458,869
Cost of sales		(9,379,907)	(6,822,998)
Gross profit		2,729,253	2,635,871
Administrative expenses		(2,561,682)	(2,485,156)
Other operating income	5	4,420	-
Operating profit	6	171,991	150,715
Interest payable and similar expenses	9	(91,868)	(57,742)
Profit before taxation		80,123	92,973
Tax on profit	10	(20,136)	(20,326)
Profit for the financial year		<u>59,987</u>	<u>72,647</u>
Retained earnings at the start of the year		926,289	850,719
Retained earnings at the end of the year		<u>986,276</u>	<u>923,366</u>
Reclassification from revaluation reserve to profit and loss account		2,924	2,924
Total comprehensive income for the year		<u>62,911</u>	<u>75,571</u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 22 form part of these financial statements.

Lightways (Contractors) Ltd

**Statement of financial position
31 December 2016**

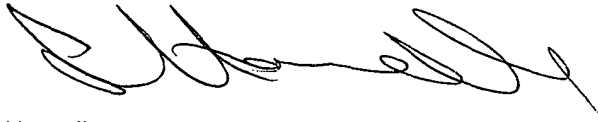
	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	11	<u>1,706,710</u>		<u>2,104,923</u>	
		1,706,710		2,104,923	
Current assets					
Stocks	12	238,715		312,998	
Debtors	13	1,883,155		1,262,471	
Cash at bank and in hand		<u>54,950</u>		<u>1,134</u>	
		2,176,820		1,576,603	
Creditors: amounts falling due within one year	15	<u>(2,231,208)</u>		<u>(1,836,916)</u>	
Net current liabilities			<u>(54,388)</u>		<u>(260,313)</u>
Total assets less current liabilities			1,652,322		1,844,610
Creditors: amounts falling due after more than one year	16		(353,759)		(616,925)
Provisions for liabilities	18		(103,093)		(92,201)
Net assets			<u>1,195,470</u>		<u>1,135,484</u>
Capital and reserves					
Called up share capital	21		78,500		78,500
Revaluation reserve	22		116,270		119,194
Capital redemption reserve	22		11,500		11,500
Profit and loss account	22		<u>989,200</u>		<u>926,290</u>
Shareholders funds			<u>1,195,470</u>		<u>1,135,484</u>

The notes on pages 13 to 22 form part of these financial statements.

Lightways (Contractors) Ltd

**Statement of financial position (continued)
31 December 2016**

These financial statements were approved by the board of directors and authorised for issue on 19 September 2017, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'J. Hornall', written in a cursive style.

James Hornall
Director

Company registration number: SC064413

The notes on pages 13 to 22 form part of these financial statements.

Lightways (Contractors) Ltd

**Statement of cash flows
Year ended 31 December 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the financial year		59,987	72,647
<i>Adjustments for:</i>			
Depreciation of tangible assets		412,200	385,044
Interest payable and similar expenses		91,868	57,742
Gain/(loss) on disposal of tangible assets		11,406	2,039
Tax on profit		20,136	20,326
Accrued expenses/(income)		(42,613)	135,973
<i>Changes in:</i>			
Stocks		74,283	(21,363)
Trade and other debtors		(621,635)	427,665
Trade and other creditors		168,084	(62,939)
Cash generated from operations		173,716	1,017,134
Interest paid		(91,868)	(57,742)
Tax paid		951	(951)
Net cash from operating activities		<u>82,799</u>	<u>958,441</u>
Cash flows from investing activities			
Purchase of tangible assets		(86,282)	(547,899)
Proceeds from sale of tangible assets		60,888	34,627
Net cash used in investing activities		<u>(25,394)</u>	<u>(513,272)</u>
Cash flows from financing activities			
Proceeds from borrowings		(276,602)	(988,784)
Payment of finance lease liabilities		83,655	640,147
Net cash used in financing activities		<u>(192,947)</u>	<u>(348,637)</u>
Net increase/(decrease) in cash and cash equivalents		(135,542)	96,532
Cash and cash equivalents at beginning of year	14	<u>(59,328)</u>	<u>(155,860)</u>
Cash and cash equivalents at end of year	14	<u>(194,870)</u>	<u>(59,328)</u>

Lightways (Contractors) Ltd

Notes to the financial statements Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Block 6, Lochlands Industrial Estate, Larbert, FK5 3NS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, '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.

Turnover

Turnover represents value of work done, excluding VAT, during the year, including applications for amounts not received. Turnover includes retentions withheld by customers. Revenue is recognised as and when the work is performed.

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lightways (Contractors) Ltd

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:

Freehold property	- straight line 2%
Long leasehold property	- straight line over the length of the lease
Plant and machinery	- straight line 10% and 20%
Fittings, fixtures and equipment	- straight line 20% and 33%
Motor vehicles	- straight line 14% and 33%

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 assets is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Hire purchase and finance leases

Assets obtained under hire purchase contracts are capitalised as tangible assets and depreciated as above. Obligations under such agreements are included in creditors net of finance charge allocated to future periods.

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Lightways (Contractors) Ltd

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

Accrued income/work done not invoiced

Where the outcome of contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity as at the year end. When it is probable that total contract costs will exceed total contract revenue, the expected loss is expensed immediately, with a corresponding provision for an onerous contract being recognised.

Where the collectibility of an amount already recognised as contract revenue is no longer probable, the uncollectible amount is expensed rather than recognised as an adjustment to the amount of contract revenue.

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

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	12,106,920	9,458,869

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Lightways (Contractors) Ltd

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

5. Other operating income

	2016	2015
	£	£
Rental income	4,420	-
	<u> </u>	<u> </u>

6. Operating profit

Operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation of tangible assets	412,200	385,044
(Gain)/loss on disposal of tangible assets	11,406	2,039
Operating lease rentals	66,854	65,114
Fees payable for the audit of the financial statements	10,500	15,300
	<u> </u>	<u> </u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
Production staff	96	100
Administrative staff	22	31
	<u> </u>	<u> </u>
	<u>118</u>	<u>131</u>

The aggregate payroll costs incurred during the year were:

	2016	2015
	£	£
Wages and salaries	3,380,587	3,540,714
Social security costs	349,788	341,149
Other pension costs	50,242	72,463
	<u> </u>	<u> </u>
	<u>3,780,617</u>	<u>3,954,326</u>

Lightways (Contractors) Ltd

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

8. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	345,875	451,450
Directors' life insurance	7,569	8,015
Company contributions to pension schemes in respect of qualifying services	20,044	47,218
	<u>373,488</u>	<u>506,683</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	Number	Number
Defined contribution plans	<u>8</u>	<u>7</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016	2015
	£	£
Aggregate remuneration	62,612	64,735
Company contributions to pension plans in respect of qualifying services	370	364
	<u>62,982</u>	<u>65,099</u>

9. Interest payable and similar expenses

	2016	2015
	£	£
Bank overdraft	6,171	4,690
Finance leases and hire purchase contracts	85,697	53,052
	<u>91,868</u>	<u>57,742</u>

Lightways (Contractors) Ltd

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

10. Tax on profit

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	9,244	-
Adjustments in respect of previous periods	-	(951)
	<u> </u>	<u> </u>
Deferred tax:		
Origination and reversal of timing differences	10,892	21,277
	<u> </u>	<u> </u>
Tax on profit	<u>20,136</u>	<u>20,326</u>

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%).

	2016	2015
	£	£
Profit before taxation	<u>80,123</u>	<u>92,973</u>
Profit multiplied by rate of tax	16,025	18,595
Adjustments in respect of prior periods	-	(951)
Effect of expenses not deductible for tax purposes	1,744	3,035
Effect of capital allowances and depreciation	59,345	(353)
Utilisation of tax losses	(56,978)	-
	<u> </u>	<u> </u>
Tax on profit	<u>20,136</u>	<u>20,326</u>

Lightways (Contractors) Ltd

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

11. Tangible assets

	Freehold property	Long leasehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2016	859,739	142,165	258,337	151,514	3,320,850	4,732,605
Additions	8,927	-	13,603	2,252	61,500	86,282
Disposals	-	-	-	-	(1,196,279)	(1,196,279)
At 31 December 2016	<u>868,666</u>	<u>142,165</u>	<u>271,940</u>	<u>153,766</u>	<u>2,186,071</u>	<u>3,622,608</u>
Depreciation						
At 1 January 2016	160,187	133,694	117,865	141,774	2,074,163	2,627,683
Charge for the year	17,338	5,591	38,071	3,494	347,706	412,200
Disposals	-	-	-	-	(1,123,985)	(1,123,985)
At 31 December 2016	<u>177,525</u>	<u>139,285</u>	<u>155,936</u>	<u>145,268</u>	<u>1,297,884</u>	<u>1,915,898</u>
Carrying amount						
At 31 December 2016	<u>691,141</u>	<u>2,880</u>	<u>116,004</u>	<u>8,498</u>	<u>888,187</u>	<u>1,706,710</u>
At 31 December 2015	<u>699,552</u>	<u>8,471</u>	<u>140,472</u>	<u>9,740</u>	<u>1,246,687</u>	<u>2,104,922</u>

Obligations under finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery	Motor vehicles
	£	£
At 31 December 2016	<u>47,187</u>	<u>679,156</u>
At 31 December 2015	<u>88,108</u>	<u>1,136,602</u>

12. Stocks

	2016	2015
	£	£
Raw materials	<u>238,715</u>	<u>312,998</u>

Lightways (Contractors) Ltd

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

13. Debtors

	2016	2015
	£	£
Trade debtors	1,456,787	1,047,013
Prepayments and accrued income	426,368	214,507
Other debtors	-	951
	<u>1,883,155</u>	<u>1,262,471</u>

14. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	54,950	1,134
Bank overdrafts	(249,820)	(60,462)
	<u>(194,870)</u>	<u>(59,328)</u>

15. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank overdraft	249,820	60,462
Trade creditors	850,737	722,786
Accruals and deferred income	290,892	333,505
Corporation tax	9,244	-
Social security and other taxes	360,935	320,802
Obligations under finance leases and hire purchase contracts	469,580	399,361
	<u>2,231,208</u>	<u>1,836,916</u>

Bank of Scotland hold a Bond & Floating Charge over the whole assets of the company and a Standard Security over Blocks 5 & 6, Lochlands Industrial Estate, Larbert, FK5 3NS.

16. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Obligations under finance leases and hire purchase contracts	<u>353,759</u>	<u>616,925</u>

Lightways (Contractors) Ltd

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

17. Obligations under finance leases and hire purchase contracts

Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	2016	2015
	£	£
Not later than 1 year	469,580	399,361
Later than 1 year and not later than 5 years	353,759	616,925
	<u>823,339</u>	<u>1,016,286</u>
Present value of minimum lease payments	<u>823,339</u>	<u>1,016,286</u>

18. Provisions

	Deferred tax (note 19)	Total
	£	£
At 1 January 2016	92,201	92,201
Additions	10,892	10,892
At 31 December 2016	<u>103,093</u>	<u>103,093</u>

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 18)	<u>103,093</u>	<u>92,201</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	103,093	149,180
Unused tax losses	-	(56,979)
	<u>103,093</u>	<u>92,201</u>

20. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £50,242 (2015: £72,463).

Lightways (Contractors) Ltd

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

21. Called up share capital Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares shares of £ 2.00 each	39,250	78,500	39,250	78,500

22. Reserves

Capital redemption reserve:

This reserve records the nominal value of shares repurchased by the company.

Revaluation reserve:

This reserve is used to record increases in the fair value of land and buildings and decreases to the extent of the depreciation charge on the same asset.

23. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 £	2015 £
Not later than 1 year	76,384	71,708
Later than 1 year and not later than 5 years	177,307	206,810
	<u>253,691</u>	<u>278,518</u>

24. Controlling party

The company was under the control of Mr & Mrs James Hornall, the majority shareholders.