REGISTERED NUMBER: SC143213 (Scotland)

LOCHWYND LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

Milne Craig
Chartered Accountants
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

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FOR THE YEAR ENDED 31 MARCH 2018

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LOCHWYND LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2018

DIRECTORS:	William Patrick Geary Pamela Geary
SECRETARY:	Pamela Geary
REGISTERED OFFICE:	19 Lonmay Place Panorama Business Village Queenslie Glasgow G33 4ER
REGISTERED NUMBER:	SC143213 (Scotland)
ACCOUNTANTS:	Milne Craig Chartered Accountants Abercorn House 79 Renfrew Road Paisley Renfrewshire PA3 4DA

BALANCE SHEET
31 MARCH 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		733,682		750,810
CURRENT ASSETS					
Stocks	5	83,506		102,050	
Debtors	6	1,605,050		1,090,122	
Cash at bank and in hand		31,196		115,758	
		1,719,752		1,307,930	
CREDITORS					
Amounts falling due within one year	7	891,227		742,714	
NET CURRENT ASSETS			828,525		565,216
TOTAL ASSETS LESS CURRENT LIABILITIES			1,562,207		1,316,026
CREDITORS					
Amounts falling due after more than one year	8		(84,738)		-
PROVISIONS FOR LIABILITIES	10		(78,040)		(79,363)
NET ASSETS			1,399,429		1,236,663
CAPITAL AND RESERVES					
Called up share capital			750		765
Other reserves			266		251
Retained earnings			1,398,413		1,235,647
SHAREHOLDERS' FUNDS			1,399,429		1,236,663

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 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.

The notes form part of these financial statements

continued...

BALANCE SHEET - continued
31 MARCH 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 27 September 2018 and were signed on its behalf by:

William Patrick Geary - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Lochwynd 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 nature of the Company's operations and its principal activity is that of specialist eco traffic industry contractors.

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.

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 £.

Going Concern
At the time of approving the financial statements, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements

Critical accounting judgements and key sources of estimation uncertainty
n preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

Turnover
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Consideration is given to the point at which the company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

o the amount of revenue can be measured reliably;
o it is probable that the Company will receive the consideration due;
o the costs incurred can be measured reliably.

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2. ACCOUNTING POLICIES - continued

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.

Improvements to property	- 20% on reducing balance
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

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 transactions 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.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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, 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.

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2. ACCOUNTING POLICIES - continued

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated 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.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Research and development

Expenditure on research activities is recognised in the income statement as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities improve a plan or design for the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses

Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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2. ACCOUNTING POLICIES - continued

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.
Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets
For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.
For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.
Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.
An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 51 (2017 - 70) .

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4. **TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 April 2017	145,196	137,216	324,405
Additions	-	-	26,500
At 31 March 2018	145,196	137,216	350,905
DEPRECIATION			
At 1 April 2017	-	87,974	280,462
Charge for year	-	9,847	29,628
Eliminated on disposal	-	-	-
At 31 March 2018	-	97,821	310,090
NET BOOK VALUE			
At 31 March 2018	145,196	39,395	40,815
At 31 March 2017	145,196	49,242	43,943

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2017	32,957	1,090,810	53,048	1,783,632
Additions	-	155,675	10,934	193,109
Disposals	-	(127,389)	-	(127,389)
At 31 March 2018	32,957	1,119,096	63,982	1,849,352
DEPRECIATION				
At 1 April 2017	22,567	620,308	21,511	1,032,822
Charge for year	2,598	117,188	21,116	180,377
Eliminated on disposal	-	(97,529)	-	(97,529)
At 31 March 2018	25,165	639,967	42,627	1,115,670
NET BOOK VALUE				
At 31 March 2018	7,792	479,129	21,355	733,682
At 31 March 2017	10,390	470,502	31,537	750,810

The net book value of tangible fixed assets includes £ 116,756 in respect of assets held under hire purchase contracts.

5. **STOCKS**

	2018 £	2017 £
Stocks	83,506	102,050

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6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	1,267,304	945,781
Amounts recoverable on contract	303,312	127,555
Other debtors	26,701	7,331
Prepayments and accrued income	7,733	9,455
	1,605,050	1,090,122

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts	47,122	-
Trade creditors	448,955	219,275
Tax	48,422	181,314
Social security and other taxes	122,800	64,851
VAT	178,011	223,883
Other creditors	-	657
Pension contributions	1,573	1,772
Directors' current accounts	4,529	7,431
Accruals and deferred income	39,815	43,531
	891,227	742,714

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

	2018	2017
	£	£
Hire purchase contracts	84,738	-

9. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Hire purchase contracts	131,860	-

Hire purchase creditors are secured over the assets to which they relate.

10. PROVISIONS FOR LIABILITIES

	2018	2017
	£	£
Deferred tax	78,040	79,363

	Deferred tax
	£
Balance at 1 April 2017	79,363
Credit to Income Statement during year	(1,323)
Balance at 31 March 2018	78,040

continued...

11. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

During the year the company benefited from an interest free loan from one of its director Mr W Geary. The balance as at the 31st March 2018 amounted to £4,529 (2017 - £7,431).

12. ULTIMATE CONTROLLING PARTY

The company is ultimately controlled jointly by Mr W and Mrs P Geary through their ownership of the issued share capital of the holding company Highways Envirotec Solutions (UK) Ltd.

13. FIRST YEAR ADOPTION

The adoption of FRS 102 has had no impact on the opening financial position of the company.

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF LOCHWYND 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 Income Statement 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 Lochwynd Limited for the year ended 31 March 2018 which comprise the Statement of Income and Retained Earnings, 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 Lochwynd 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 Lochwynd Limited and state those matters that we have agreed to state to the Board of Directors of Lochwynd 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 Lochwynd 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 Lochwynd Limited. You consider that Lochwynd 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 Lochwynd 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.

Milne Craig
Chartered Accountants
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

27 September 2018

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.