

D. G. Heuchan Construction Ltd.

Annual Report and Unaudited Financial Statements

for the Year Ended 31 August 2017



D. G. Heuchan Construction Ltd.

Contents

Company Information	1
Statement of Comprehensive Income	2
Balance Sheet	3
Statement of Changes in Equity	4
Notes to the Financial Statements	5 to 8

D. G. Heuchan Construction Ltd.

Company Information

Directors	Mrs T Heuchan Mr D G Heuchan
Company secretary	Mrs T Heuchan
Registered office	14-15 Main street Longniddry East Lothian EH32 0NF
Accountants	Jamieson Campbell Kerr Limited Chartered Accountants 14 - 15 Main Street Longniddry EH32 0NF

D. G. Heuchan Construction Ltd.

Statement of Comprehensive Income for the Year Ended 31 August 2017

	Note	2017 £	2016 £
Profit/(loss) for the year		<u>127,454</u>	<u>(52,771)</u>
Total comprehensive income for the year		<u><u>127,454</u></u>	<u><u>(52,771)</u></u>

The notes on pages 5 to 8 form an integral part of these financial statements.

D. G. Heuchan Construction Ltd.
(Registration number: SC188621)
Balance Sheet as at 31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	696,818	708,929
Current assets			
Debtors	5	296,669	334,399
Cash at bank and in hand		<u>1,153,847</u>	<u>1,229,555</u>
		1,450,516	1,563,954
Creditors: Amounts falling due within one year	6	<u>(132,235)</u>	<u>(313,886)</u>
Net current assets		<u>1,318,281</u>	<u>1,250,068</u>
Total assets less current liabilities		2,015,099	1,958,997
Creditors: Amounts falling due after more than one year	6	(16,250)	-
Provisions for liabilities		<u>(132,395)</u>	<u>(134,697)</u>
Net assets		<u>1,866,454</u>	<u>1,824,300</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>1,866,452</u>	<u>1,824,298</u>
Total equity		<u>1,866,454</u>	<u>1,824,300</u>

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

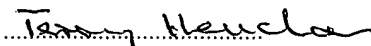
Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on and signed on its behalf by:



Mrs T Heuchan

Company secretary and director

D. G. Heuchan Construction Ltd.

Statement of Changes in Equity for the Year Ended 31 August 2017

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 September 2016	2	1,824,298	1,824,300
Profit for the year	-	127,454	127,454
Total comprehensive income	-	127,454	127,454
Dividends	-	(85,300)	(85,300)
At 31 August 2017	2	1,866,452	1,866,454
	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 September 2015	2	1,943,969	1,943,971
Loss for the year	-	(52,771)	(52,771)
Total comprehensive income	-	(52,771)	(52,771)
Dividends	-	(66,900)	(66,900)
At 31 August 2016	2	1,824,298	1,824,300

The notes on pages 5 to 8 form an integral part of these financial statements.

D. G. Heuchan Construction Ltd.

Notes to the Financial Statements for the Year Ended 31 August 2017

1 General information

The company is a private company limited by share capital incorporated in Scotland.

The address of its registered office is:

14-15 Main street

Longniddry

East Lothian

EH32 ONF

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Motor vehicles	15% reducing balance
Office equipment	15% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

D. G. Heuchan Construction Ltd.

Notes to the Financial Statements for the Year Ended 31 August 2017

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2016 - 11).

D. G. Heuchan Construction Ltd.

Notes to the Financial Statements for the Year Ended 31 August 2017

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 September 2016	2,124	243,401	2,121,914	2,367,439
Additions	-	-	163,465	163,465
Disposals	-	-	(125,850)	(125,850)
At 31 August 2017	<u>2,124</u>	<u>243,401</u>	<u>2,159,529</u>	<u>2,405,054</u>
Depreciation				
At 1 September 2016	1,969	165,851	1,490,690	1,658,510
Charge for the year	23	14,403	111,801	126,227
Eliminated on disposal	-	-	(76,501)	(76,501)
At 31 August 2017	<u>1,992</u>	<u>180,254</u>	<u>1,525,990</u>	<u>1,708,236</u>
Carrying amount				
At 31 August 2017	<u>132</u>	<u>63,147</u>	<u>633,539</u>	<u>696,818</u>
At 31 August 2016	<u>155</u>	<u>77,550</u>	<u>631,224</u>	<u>708,929</u>

5 Debtors

	Note	2017 £	2016 £
Trade debtors		270,792	334,399
Amounts owed by group undertakings and undertakings in which the company has a participating interest	9	24,877	-
Other debtors		1,000	-
Total current trade and other debtors		<u>296,669</u>	<u>334,399</u>

6 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	7	42,193	27,844
Trade creditors		36,122	26,568
Directors loan	9	66	192,900
Taxation and social security		14,587	38,471
Other creditors		39,267	28,103
		<u>132,235</u>	<u>313,886</u>
Due after one year			
Loans and borrowings	7	<u>16,250</u>	-

D. G. Heuchan Construction Ltd.

Notes to the Financial Statements for the Year Ended 31 August 2017

7 Loans and borrowings

	2017	2016
	£	£
Non-current loans and borrowings		
Finance lease liabilities	<u>16,250</u>	<u>-</u>

	2017	2016
	£	£
Current loans and borrowings		
Finance lease liabilities	<u>42,193</u>	<u>27,844</u>

8 Dividends

	2017	2016
	£	£
Interim dividend of £42,650.00 (2016 - £33,450.00) per ordinary share	<u>85,300</u>	<u>66,900</u>

9 Related party transactions

Transactions with directors

During the year the directors received £500 (2016 - £500) for the use of a room at home as an office. The directors received dividends of £85,300 (2016 - £66,900).

Included in creditors is an amount of £66 (2016 - £105) due to the directors. This amount is interest free and repayable on demand.

Included in debtors is an amount of £24,877 (2016 - £192,795 due to) due from Rail Road Rentals Limited. Mr and Mrs D G Heuchan are the majority shareholders in both companies.