REGISTERED NUMBER: SC199488 (Scotland)

# Financial Statements

## For The Year Ended 31 December 2017

## for

## Ashwood Scotland Limited

## Contents of the Financial Statements
## For The Year Ended 31 December 2017


| | Page |
|---|---|
| **Company Information** | 1 |
| **Balance Sheet** | 2 |
| **Notes to the Financial Statements** | 3 |

**Company Information**
**For The Year Ended 31 December 2017**

| | |
|---|---|
| **DIRECTORS:** | Archibald Grant Meikle<br>David Scott Charman<br>Graeme Hadden |
| **REGISTERED OFFICE:** | Ashwood House<br>Starlaw Road<br>Bathgate<br>West Lothian<br>EH47 7BW |
| **REGISTERED NUMBER:** | SC199488 (Scotland) |
| **AUDITORS:** | Cahill Jack Associates Limited<br>Chartered Accountants and Statutory Auditors<br>91 Alexander Street<br>Airdrie<br>North Lanarkshire<br>ML6 0BD |
| **SOLICITORS:** | Purdie Maclean<br>Unit 7-9 Bloom Farm<br>Main Street<br>Livingston Village<br>Livingston<br>EH54 7AF |

**Ashwood Scotland Limited (Registered number: SC199488)**

**Balance Sheet**
**31 December 2017**

| | Notes | 31.12.17 £ | £ | 31.12.16 £ | £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 4 | | 135,476 | | 17,077 |
| Investments | 5 | | 3 | | 3 |
| Investment property | 6 | | 395,000 | | 395,000 |
| | | | 530,479 | | 412,080 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 7 | 2,166,399 | | 1,767,608 | |
| Cash at bank and in hand | | 503,897 | | 213,877 | |
| | | 2,670,296 | | 1,981,485 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 8 | 2,066,281 | | 1,293,091 | |
| **NET CURRENT ASSETS** | | | 604,015 | | 688,394 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | 1,134,494 | | 1,100,474 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 9 | | (70,728) | | (2,114) |
| **PROVISIONS FOR LIABILITIES** | | | (24,796) | | (1,966) |
| **NET ASSETS** | | | 1,038,970 | | 1,096,394 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | | | 200 | | 200 |
| Share premium | | | 490 | | 490 |
| Retained earnings | | | 1,038,280 | | 1,095,704 |
| **SHAREHOLDERS' FUNDS** | | | 1,038,970 | | 1,096,394 |

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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 9 August 2018 and were signed on its behalf by:

Archibald Grant Meikle - Director

The notes form part of these financial statements

## 1. STATUTORY INFORMATION

Ashwood Scotland 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 presentation currency of the financial statements is the Pound Sterling (£).

## 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 as modified by the revaluation of certain assets.

**Preparation of consolidated financial statements**
The financial statements contain information about Ashwood Scotland Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**Significant judgements and estimates**
Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are described below:

Estimated useful lives and residual values of fixed assets
As described under the Tangible Fixed Asset heading of this accounting policies note, depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as applicable. The reviews take into account estimated useful lives used by other companies operating within the same sector and actual asset lives and residual values as evidenced by disposals during current and prior accounting periods.

Revaluation of investment property
Investment property is included at fair value which is determined by the directors. Various assumptions and estimates are used in making the assessment of fair value.

Accounting for revenue from long term contracts
The directors base their judgements of contract profits on the latest available information, which includes detailed contract valuations prepared by quantity surveyors. Cost incurred on contracts are valued on a regular basis and the value attributed to the costs is included as revenue.

**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. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax and any other sales taxes The following criteria must also be met before revenue is recognised:

Rendering of services
Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the revenue value of the costs incurred on the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract; and
- the value of the costs incurred at the end of the reporting period can be measured reliably.


continued...

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.

| | |
|---|---|
| Plant and machinery | - 10% on cost |
| Motor vehicles | - 33% on cost |
| Computer equipment | - 25% on reducing balance |

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**Investments in subsidiaries**
Investments in subsidiary undertakings are recognised at cost.

**Investment property**
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Financial instruments**
The following assets and liabilities are classified as basic financial instruments - trade debtors, trade creditors and loans to subsidiaries.

Loans to subsidiaries, being repayable on demand, trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

**Taxation**
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.


continued...

## 2. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**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.

**Long-term contracts and work in progress**
The directors base their judgements of contract costs and revenues on the latest available information, which includes detailed contract valuations. In many cases the results reflect the expected outcome of long-term contractual obligations which span more than one reporting period. Contract costs and revenues are affected by a variety of uncertainties that depend on the outcome of future events and often need to be revised as events unfold and uncertainties are resolved. The estimates are updated regularly and significant changes are highlighted through established internal review procedures which ensure that there is no significant over or under statement of profits earned in any period.

Long-term work in progress is therefore calculated based on the excess of expected revenue less costs from each contract less appropriate payments received to date and is included within debtors in the balance sheet under the heading of amounts recoverable on contracts.

**Holiday pay accrual**
A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

## 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 37 (2016 - 30 ) .



continued...

## 4. TANGIBLE FIXED ASSETS

| | Plant and machinery £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|---|---|---|---|---|
| **COST** | | | | |
| At 1 January 2017 | - | 22,341 | 41,304 | 63,645 |
| Additions | 100,850 | 33,210 | 4,475 | 138,535 |
| At 31 December 2017 | 100,850 | 55,551 | 45,779 | 202,180 |
| **DEPRECIATION** | | | | |
| At 1 January 2017 | - | 13,128 | 33,440 | 46,568 |
| Charge for year | 5,463 | 12,427 | 2,246 | 20,136 |
| At 31 December 2017 | 5,463 | 25,555 | 35,686 | 66,704 |
| **NET BOOK VALUE** | | | | |
| At 31 December 2017 | 95,387 | 29,996 | 10,093 | 135,476 |
| At 31 December 2016 | - | 9,213 | 7,864 | 17,077 |

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Plant and machinery £ | Motor vehicles £ | Totals £ |
|---|---|---|---|
| **COST** | | | |
| At 1 January 2017 | - | 10,591 | 10,591 |
| Additions | 100,850 | 26,543 | 127,393 |
| At 31 December 2017 | 100,850 | 37,134 | 137,984 |
| **DEPRECIATION** | | | |
| At 1 January 2017 | - | 5,294 | 5,294 |
| Charge for year | 5,463 | 7,954 | 13,417 |
| At 31 December 2017 | 5,463 | 13,248 | 18,711 |
| **NET BOOK VALUE** | | | |
| At 31 December 2017 | 95,387 | 23,886 | 119,273 |
| At 31 December 2016 | - | 5,297 | 5,297 |

## 5. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 January 2017 and 31 December 2017 | 3 |
| **NET BOOK VALUE** | |
| At 31 December 2017 | 3 |
| At 31 December 2016 | 3 |



continued...

## 6. INVESTMENT PROPERTY

| | Total |
|---|---|
| | £ |
| **FAIR VALUE** | |
| At 1 January 2017 and 31 December 2017 | 395,000 |
| **NET BOOK VALUE** | |
| At 31 December 2017 | 395,000 |
| At 31 December 2016 | 395,000 |

Fair value at 31 December 2017 is represented by:

| | £ |
|---|---|
| Valuation in 2001 | 14,989 |
| Valuation in 2004 | 41,350 |
| Valuation in 2005 | 20,262 |
| Cost | 318,399 |
| | 395,000 |

Desk top valuations were carried out during the year on investment properties which showed minimal changes to previous valuations carried out and the Directors are therefore of the opinion that there was no change in the fair value of these investment properties from the date of the last independent surveys to the balance sheet date.

## 7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.17 | 31.12.16 |
|---|---|---|
| | £ | £ |
| Trade debtors | 32,265 | 709 |
| Amounts owed by group undertakings | 1,265,829 | 1,362,005 |
| Amounts recoverable on contract | 850,050 | 333,393 |
| Other debtors | - | 63,503 |
| Prepayments | 18,255 | 7,998 |
| | 2,166,399 | 1,767,608 |

## 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.17 | 31.12.16 |
|---|---|---|
| | £ | £ |
| Hire purchase contracts (see note 10) | 32,373 | 3,624 |
| Trade creditors | 1,770,645 | 1,009,278 |
| Tax | - | 24,223 |
| Social security and other taxes | 64,462 | 48,745 |
| VAT | 159,898 | 142,568 |
| Accrued expenses | 38,903 | 64,653 |
| | 2,066,281 | 1,293,091 |

## 9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 31.12.17 | 31.12.16 |
|---|---|---|
| | £ | £ |
| Hire purchase contracts (see note 10) | 70,728 | 2,114 |



continued...

## 10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

| | Hire purchase contracts | |
|---|---|---|
| | 31.12.17 | 31.12.16 |
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 32,373 | 3,624 |
| Between one and five years | 70,728 | 2,114 |
| | 103,101 | 5,738 |

| | Non-cancellable operating leases | |
|---|---|---|
| | 31.12.17 | 31.12.16 |
| | £ | £ |
| Within one year | 51,486 | 55,929 |
| Between one and five years | 110,568 | 111,792 |
| In more than five years | 15,000 | 35,000 |
| | 177,054 | 202,721 |

## 11. SECURED DEBTS

The following secured debts are included within creditors:

| | 31.12.17 | 31.12.16 |
|---|---|---|
| | £ | £ |
| Hire purchase contracts | 103,101 | 5,738 |

Royal Bank of Scotland borrowings to the group headed by Ashwood Scotland Limited are secured by a bond and floating charge and standard securities over the company's properties at; 159a West Main Street, Whitburn; 131 Howdenhall Drive, Edinburgh; Flat 3/1, 38 Pleasance Street, Glasgow; development land known as Tailend Court, Starlaw Park, Livingston; Andrew Court, Clydebank; site at MacIntosh Road, Livingston. The company has also provided cross guarantees to the bank in respect of the subsidiary companies' debts. The bank also hold a personal guarantee granted by Mr A Meikle for £150,000.

Hire purchase and finance lease creditors hold security over the assets which are the subject of the relevant agreements.

## 12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Audrey Wolfson (Senior Statutory Auditor)
for and on behalf of Cahill Jack Associates Limited

## 13. ULTIMATE CONTROLLING PARTY

The controlling party is Archibald Grant Meikle.

The ultimate controlling party is Archibald Grant Meikle.

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.