Registered number: SC201239

# WEST HIGHLAND GAS LIMITED

## FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2018

**WEST HIGHLAND GAS LIMITED**

**COMPANY INFORMATION**

| | |
|---|---|
| **Directors** | J MacLachlan<br>S MacLachlan |
| **Company secretary** | S MacLachlan |
| **Registered number** | SC201239 |
| **Registered office** | Torran Gorm Industrial Estate<br>Oban<br>Argyll<br>PA34 4PL |
| **Accountants** | EQ Accountants LLP<br>Chartered Accountants<br>Pentland House<br>Saltire Centre<br>Glenrothes<br>Fife<br>KY6 2AH |

**WEST HIGHLAND GAS LIMITED**
**REGISTERED NUMBER:SC201239**

**STATEMENT OF FINANCIAL POSITION**
**AS AT 30 JUNE 2018**

| | | | 2018 | | *2017* |
|---|---|---|---|---|---|
| | | | £ | | £ |
| **Fixed assets** | | | | | |
| Intangible assets | 4 | | **9,500** | | *14,250* |
| Tangible assets | 5 | | **142,340** | | *183,376* |
| | | | **151,840** | | *197,626* |
| **Current assets** | | | | | |
| Stocks | | **74,494** | | *69,312* | |
| Debtors: amounts falling due within one year | 6 | **480,360** | | *314,333* | |
| Cash at bank and in hand | | **57** | | *136* | |
| | | **554,911** | | *383,781* | |
| Creditors: amounts falling due within one year | 7 | **(452,652)** | | *(337,775)* | |
| **Net current assets** | | | **102,259** | | *46,006* |
| **Total assets less current liabilities** | | | **254,099** | | *243,632* |
| Creditors: amounts falling due after more than one year | 8 | | **(34,086)** | | *(23,475)* |
| **Provisions for liabilities** | | | | | |
| Deferred tax | | **(9,981)** | | *(17,606)* | |
| | | | **(9,981)** | | *(17,606)* |
| **Net assets** | | | **210,032** | | *202,551* |
| **Capital and reserves** | | | | | |
| Called up share capital | 9 | | **5,000** | | *5,000* |
| Profit and loss account - non distributable | | | **15,350** | | *15,350* |
| Profit and loss account | | | **189,682** | | *182,201* |
| | | | **210,032** | | *202,551* |

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**
**AS AT 30 JUNE 2018**

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**J MacLachlan**
**Director**

Date: 28 March 2019

The notes on pages 3 to 9 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2018

### 1. General information

West Highland Gas Limited is a private company, limited by shares and incorporated in Scotland, registration number SC201239. The registered office address is Torran Gorm Industrial Estate, Lochavullin Road, Oban, Argyll, PA34 4PL.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 2.3 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 2. Accounting policies (continued)

### 2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 2.5 Intangible Assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life of 20 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 2. Accounting policies (continued)

### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---|---|
| Freehold property | - Straight line over the life of the lease |
| Plant and machinery | - 25% straight line |
| Motor vehicles | - 25% straight line |
| Fixtures, fittings and equipment | - 25% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

### 2.7 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of income and retained earnings unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

### 2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### 2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 2. Accounting policies (continued)

### 2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## 3. Employees

The average monthly number of employees, including directors, during the year was 13 *(2017 - 13)*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 4. Intangible assets

| | Goodwill |
|---|---|
| | £ |
| **Cost** | |
| At 1 July 2017 | **95,000** |
| At 30 June 2018 | **95,000** |
| **Amortisation** | |
| At 1 July 2017 | **80,750** |
| Charge for the year | **4,750** |
| At 30 June 2018 | **85,500** |
| **Net book value** | |
| At 30 June 2018 | **9,500** |
| ***At 30 June 2017*** | *14,250* |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 5. Tangible fixed assets

| | Freehold property | Plant and machinery | Motor vehicles | Fixtures, fittings and equipment | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Cost or valuation** | | | | | |
| At 1 July 2017 | **111,668** | **3,119** | **300,854** | **59,233** | **474,874** |
| Additions | **-** | **-** | **-** | **1,583** | **1,583** |
| At 30 June 2018 | **111,668** | **3,119** | **300,854** | **60,816** | **476,457** |
| **Depreciation** | | | | | |
| At 1 July 2017 | **19,889** | **3,119** | **213,903** | **54,586** | **291,497** |
| Charge for the year | **-** | **-** | **39,142** | **3,478** | **42,620** |
| At 30 June 2018 | **19,889** | **3,119** | **253,045** | **58,064** | **334,117** |
| **Net book value** | | | | | |
| At 30 June 2018 | **91,779** | **-** | **47,809** | **2,752** | **142,340** |
| ***At 30 June 2017*** | *91,779* | - | *86,951* | *4,647* | *183,377* |

The property is included at an open market valuation of £75,000 as given by DM Hall on the 13 June 2012.

## 6. Debtors

| | 2018 | *2017* |
|---|---|---|
| | £ | *£* |
| Trade debtors | **79,831** | *80,863* |
| Other debtors | **393,498** | *224,698* |
| Prepayments and accrued income | **7,031** | *8,772* |
| | **480,360** | *314,333* |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 7. Creditors: Amounts falling due within one year

| | 2018 £ | 2017 £ |
|---|---|---|
| Bank overdrafts | **30,017** | *24,036* |
| Bank loans | **15,485** | - |
| Trade creditors | **143,171** | *124,364* |
| Taxation and social security | **28,341** | *9,870* |
| Obligations under finance lease and hire purchase contracts | **17,026** | *38,452* |
| Other creditors | **216,407** | *138,953* |
| Accruals and deferred income | **2,205** | *2,100* |
| | **452,652** | *337,775* |

## 8. Creditors: Amounts falling due after more than one year

| | 2018 £ | 2017 £ |
|---|---|---|
| Bank loans | **29,747** | - |
| Net obligations under finance leases and hire purchase contracts | **4,339** | *23,475* |
| | **34,086** | *23,475* |

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

Hire purchase agreements - £4,339 (2017 £23,475)

## 9. Share capital

| | 2018 £ | 2017 £ |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 1,000 *(2017 - 1,000)* Ordinary shares of £1.00 each | **1,000** | *1,000* |
| 4,000 *(2017 - 4,000)* Preference shares of £1.00 each | **4,000** | *4,000* |
| | **5,000** | *5,000* |

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.