REGISTERED NUMBER: SC222339 (Scotland)

Unaudited Financial Statements

for the Year Ended 31 August 2017

for

Shannas Engineering Ltd.

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for the Year Ended 31 August 2017

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Shannas Engineering Ltd.

Company Information
for the Year Ended 31 August 2017

DIRECTORS:	J W Penny Mrs D F A Penny
SECRETARY:	Mrs M R Penny
REGISTERED OFFICE:	North Howe Skelmuir Stuartfield Peterhead Aberdeenshire AB42 5AH
REGISTERED NUMBER:	SC222339 (Scotland)
ACCOUNTANTS:	SBP Accountants Glebefield House 21 Links Terrace Peterhead Aberdeenshire AB42 2XA

Balance Sheet
31 August 2017

	Notes	31.8.17 £	£	31.8.16 £	£
FIXED ASSETS					
Tangible assets	4		**106,047**		134,056
CURRENT ASSETS					
Stocks		**117,222**		110,896	
Debtors	5	**57,989**		27,883	
		175,211		138,779	
CREDITORS					
Amounts falling due within one year	6	**252,875**		255,998	
NET CURRENT LIABILITIES			**(77,664)**		(117,219)
TOTAL ASSETS LESS CURRENT LIABILITIES			**28,383**		16,837
CREDITORS					
Amounts falling due after more than one year	7		**(14,202)**		(24,546)
PROVISIONS FOR LIABILITIES			**(14,490)**		(10,657)
NET LIABILITIES			**(309)**		(18,366)
CAPITAL AND RESERVES					
Called up share capital			**2**		2
Retained earnings			**(311)**		(18,368)
SHAREHOLDERS' FUNDS			**(309)**		(18,366)

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2017 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 August 2017

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 14 May 2018 and were signed on its behalf by:

J W Penny - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Shannas Engineering Ltd. 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.

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.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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.

Short leasehold	- 4% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Tangible fixed assets are included at cost less depreciation and impairment. The residual value is reassessed at the end of each accounting period.

Stocks
Work in progress is valued at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative costs.

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.

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2. **ACCOUNTING POLICIES - continued**

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.

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.

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.

Transition note

The financial statements for the year ended 31 August 2017 are the first financial statements that comply with FRS102 Section 1A small entities. The date of transition is 1 January 2016. The transition has resulted in a small number of changes in accounting policies to those used previously.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 2 .

4. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 September 2016	**27,179**	**320,581**	**1,205**
Additions	-	**1,370**	-
At 31 August 2017	**27,179**	**321,951**	**1,205**
DEPRECIATION			
At 1 September 2016	**13,332**	**209,831**	**1,082**
Charge for year	**1,087**	**22,149**	**25**
Eliminated on disposal	-	-	-
At 31 August 2017	**14,419**	**231,980**	**1,107**
NET BOOK VALUE			
At 31 August 2017	**12,760**	**89,971**	**98**
At 31 August 2016	13,847	110,750	123

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4. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2016	**33,292**	**3,950**	**386,207**
Additions	**-**	**-**	**1,370**
Disposals	**(20,340)**	**-**	**(20,340)**
At 31 August 2017	**12,952**	**3,950**	**367,237**
DEPRECIATION			
At 1 September 2016	**24,543**	**3,363**	**252,151**
Charge for year	**981**	**310**	**24,552**
Eliminated on disposal	**(15,513)**	**-**	**(15,513)**
At 31 August 2017	**10,011**	**3,673**	**261,190**
NET BOOK VALUE			
At 31 August 2017	**2,941**	**277**	**106,047**
At 31 August 2016	8,749	587	134,056

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

	Plant and machinery £
COST	
At 1 September 2016 and 31 August 2017	**87,572**
DEPRECIATION	
At 1 September 2016	**17,514**
Charge for year	**14,011**
At 31 August 2017	**31,525**
NET BOOK VALUE	
At 31 August 2017	**56,047**
At 31 August 2016	70,058

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.17 £	31.8.16 £
Trade debtors	**44,460**	10,960
Other debtors	**13,529**	16,923
	57,989	27,883

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6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.17	31.8.16
	£	£
Bank loans and overdrafts	**60,711**	38,770
Hire purchase contracts	**10,344**	10,344
Trade creditors	**46,234**	58,454
Taxation and social security	**3,964**	8,657
Other creditors	**131,622**	139,773
	252,875	255,998

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

	31.8.17	31.8.16
	£	£
Hire purchase contracts	**14,202**	24,546

8. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.17	31.8.16
	£	£
Bank overdrafts	**60,711**	38,770

Bank loans and overdrafts are secured by means of a bond and floating charge over all the assets of the company.

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.