

Registered number: SC466421

CRH MACHINING LIMITED

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2016

CRH MACHINING LIMITED

COMPANY INFORMATION

Directors	Mr C R Hall Ms L Hall Ms A M Hall
Registered number	SC466421
Registered office	8 Keir Heights Balmedie Aberdeen AB23 8WJ

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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	183,695	142,613
		<u>183,695</u>	<u>142,613</u>
Current assets			
Stocks	5	1,000	1,000
Debtors: amounts falling due within one year	6	46,409	18,210
Cash at bank and in hand	7	22,809	17,229
		<u>70,218</u>	<u>36,439</u>
Creditors: amounts falling due within one year	8	(60,060)	(48,148)
Net current assets/(liabilities)		<u>10,158</u>	<u>(11,709)</u>
Total assets less current liabilities		<u>193,853</u>	<u>130,904</u>
Creditors: amounts falling due after more than one year	9	(257,080)	(182,747)
Net liabilities		<u>(63,227)</u>	<u>(51,843)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(63,327)	(51,943)
		<u>(63,227)</u>	<u>(51,843)</u>

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.

CRH MACHINING LIMITED
REGISTERED NUMBER: SC466421

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

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

Mr C R Hall
Director

Date: 21 June 2017

The notes on pages 4 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

CRH Machining Limited is a limited company incorporated in Scotland. The registered office is 8 Keir Heights, Balmedie, Aberdeen, AB23 8WJ.

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 Going concern

At 31 December 2016 the company had net liabilities of £63,227. Included within these liabilities are amounts due to the directors of £241,729. The directors have indicated they do not intend to seek full repayment of the amounts due unless working capital permits. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements. The company is forecasting to return to profit in 2017.

2.3 Revenue

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 discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue 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 revenue 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.

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 stage of completion of 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;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.4 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:

Plant and machinery	-	20% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	20% 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 comprehensive income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instruments 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2015 - 5).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2016	167,740	17,599	1,992	5,655	192,986
Additions	90,790	-	-	-	90,790
At 31 December 2016	<u>258,530</u>	<u>17,599</u>	<u>1,992</u>	<u>5,655</u>	<u>283,776</u>
Depreciation					
At 1 January 2016	41,825	6,600	723	1,225	50,373
Charge for the year on owned assets	34,732	4,400	399	1,131	40,662
Charge for the year on financed assets	9,046	-	-	-	9,046
At 31 December 2016	<u>85,603</u>	<u>11,000</u>	<u>1,122</u>	<u>2,356</u>	<u>100,081</u>
Net book value					
At 31 December 2016	<u>172,927</u>	<u>6,599</u>	<u>870</u>	<u>3,299</u>	<u>183,695</u>
At 31 December 2015	<u>125,915</u>	<u>10,999</u>	<u>1,269</u>	<u>4,430</u>	<u>142,613</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Plant and machinery	<u>26,884</u>	<u>35,928</u>
	<u>26,884</u>	<u>35,928</u>

5. Stocks

	2016 £	2015 £
Raw materials	<u>1,000</u>	<u>1,000</u>
	<u>1,000</u>	<u>1,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Debtors

	2016 £	2015 £
Trade debtors	46,409	6,642
Prepayments and accrued income	-	11,568
	<u>46,409</u>	<u>18,210</u>

7. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	22,809	17,229
	<u>22,809</u>	<u>17,229</u>

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	13,675	14,467
Other taxation and social security	15,389	6,691
Obligations under finance lease and hire purchase contracts	28,496	24,490
Accruals and deferred income	2,500	2,500
	<u>60,060</u>	<u>48,148</u>

9. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	15,351	43,848
Amounts owed to related parties	241,729	138,899
	<u>257,080</u>	<u>182,747</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. Related party transactions

CONTROL

Throughout the period the company was controlled by the directors.

TRANSACTIONS

Related party	Transactions	2016	2015
		£	£
Directors	Loan	241,729	138,899

As disclosed in note 9 the company has received loans from directors amounting to £241,729 (2015 - £138,899). There are no fixed repayment terms nor has interest been charged on the loans. The directors have confirmed the loans will not be repaid in full prior to January 2018 and therefore are disclosed as due in more than one year

First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.