

Paterson Steel Ltd

Annual Report and Unaudited Financial Statements
for the Period from 1 June 2016 to 31 March 2017

Williamsons Chartered Accountants
Rosewood
Raemoir Road
Banchory
Kincardineshire
AB31 4ET

Paterson Steel Ltd

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Paterson Steel Ltd

Company Information

Directors	Mr Stuart Francis Tillbrook Mrs Vanessa Tillbrook
Company secretary	Mrs Vanessa Tillbrook
Registered office	Tillylodge Newe Strathdon AB36 8TG
Bankers	Bank of Scotland Direct Business PO Box 1000 BX2 1LB
Accountants	Williamsons Chartered Accountants Rosewood Raemoir Road Banchory Kincardineshire AB31 4ET

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory
Accounts of
Paterson Steel Ltd
for the Period Ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Paterson Steel Ltd for the period ended 31 March 2017 as set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Paterson Steel Ltd, as a body, in accordance with the terms of our engagement letter dated 25 October 2016. Our work has been undertaken solely to prepare for your approval the accounts of Paterson Steel Ltd and state those matters that we have agreed to state to the Board of Directors of Paterson Steel Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Paterson Steel Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Paterson Steel Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Paterson Steel Ltd. You consider that Paterson Steel Ltd is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of Paterson Steel Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Williamsons Chartered Accountants
Rosewood
Raemoir Road
Banchory
Kincardineshire
AB31 4ET

7 July 2017

Paterson Steel Ltd

(Registration number: SC478621)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	13,333	1,098
Current assets			
Debtors	<u>5</u>	107,830	50,551
Cash at bank and in hand		76,565	22,411
		184,395	72,962
Creditors: Amounts falling due within one year	<u>6</u>	(158,063)	(54,980)
Net current assets		26,332	17,982
Total assets less current liabilities		39,665	19,080
Creditors: Amounts falling due after more than one year	<u>6</u>	(24,675)	-
Provisions for liabilities		(2,533)	(220)
Net assets		12,457	18,860
Capital and reserves			
Called up share capital		100	100
Profit and loss account		12,357	18,760
Total equity		12,457	18,860

The notes on pages 6 to 10 form an integral part of these financial statements.
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Paterson Steel Ltd

(Registration number: SC478621)

Balance Sheet as at 31 March 2017

For the financial period ending 31 March 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 period 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 7 July 2017 and signed on its behalf by:

.....

Mr Stuart Francis Tillbrook

Director

The notes on pages 6 to 10 form an integral part of these financial statements.
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Paterson Steel Ltd

Statement of Changes in Equity for the Period from 1 June 2016 to 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 June 2016	100	18,760	18,860
Profit for the period	-	18,597	18,597
Total comprehensive income	-	18,597	18,597
Dividends	-	(25,000)	(25,000)
At 31 March 2017	100	12,357	12,457

	Share capital £	Profit and loss account £	Total £
At 1 June 2015	2	23,493	23,495
Profit for the period	-	29,267	29,267
Total comprehensive income	-	29,267	29,267
Dividends	-	(34,000)	(34,000)
New share capital subscribed	98	-	98
At 31 May 2016	100	18,760	18,860

The notes on pages 6 to 10 form an integral part of these financial statements.

Paterson Steel Ltd

Notes to the Financial Statements for the Period from 1 June 2016 to 31 March 2017

1 General information

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

The address of its registered office is:

Tillylodge Newe
Strathdon
AB36 8TG

These financial statements were authorised for issue by the Board on 7 July 2017.

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
Other property, plant and equipment	33.33% straight line basis
Motor vehicles	25% straight line basis

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.

Paterson Steel Ltd

Notes to the Financial Statements for the Period from 1 June 2016 to 31 March 2017

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.

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.

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 period, was 2 (2016 - 1).

Paterson Steel Ltd

Notes to the Financial Statements for the Period from 1 June 2016 to 31 March 2017

4 Tangible assets

	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 June 2016	-	2,051	2,051
Additions	8,300	5,313	13,613
At 31 March 2017	8,300	7,364	15,664
Depreciation			
At 1 June 2016	-	953	953
Charge for the year	173	1,205	1,378
At 31 March 2017	173	2,158	2,331
Carrying amount			
At 31 March 2017	8,127	5,206	13,333
At 31 May 2016	-	1,098	1,098

5 Debtors

	2017 £	2016 £
Trade debtors	107,830	50,551
Total current trade and other debtors	107,830	50,551

6 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	7	23,904	2,141
Trade creditors		128,115	40,393
Taxation and social security		2,303	2,659
Other creditors		3,741	9,787
		158,063	54,980

Due after one year

Loans and borrowings

7

24,675

-

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Paterson Steel Ltd

Notes to the Financial Statements for the Period from 1 June 2016 to 31 March 2017

7 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	24,675	-
	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	6,300	-
Other borrowings	17,604	2,141
	23,904	2,141

Bank borrowings

Funding Circle Loan is denominated in sterling with a nominal interest rate of 9%, and the final instalment is due on 28 February 2022. The carrying amount at period end is £30,975 (2016 - £Nil).

Other borrowings

Director current account with a carrying amount of £17,604 (2016 - £2,141) is denominated in sterling with a nominal interest rate of 0%. The final instalment is due on 31 March 2018.

8 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £100 (2016 - £110) per each Ordinary shares share	10,000	11,000

Interim dividends paid

	2017 £	2016 £
Interim dividend of £150 (2016 - £230) per each Ordinary shares share	15,000	23,000

Paterson Steel Ltd

Notes to the Financial Statements for the Period from 1 June 2016 to 31 March 2017

9 Related party transactions

Transactions with directors

Directors' remuneration

The directors' remuneration for the period was as follows:

	2017 £	2016 £
Remuneration	17,883	2,264

Dividends paid to directors

	2017 £	2016 £
Mr Stuart Francis Tillbrook		
Ordinary share dividend	5,000	6,800
Mrs Vanessa Tillbrook		
Ordinary share dividend	25,000	27,200

10 Transition to FRS 102

There were no adjustments needed on transition to FRS102A

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.