

Company Registration No. SC478621 (Scotland)

Paterson Steel Ltd

**Unaudited financial statements
for the year ended 31 March 2019
Pages for filing with registrar**

Paterson Steel Ltd

**Chartered Accountants' Report to the board of directors on the preparation of the
unaudited statutory financial statements of Paterson Steel Ltd**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Paterson Steel Ltd for the year ended 31 March 2019 which comprise, the Statement Of Financial Position and the related notes 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 of Scotland we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/technical-resources/framework-for-the-preparation-of-accounts-revised-january-2017>.

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 financial statements 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 the requirements of the Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.com/technical-resources/framework-for-the-preparation-of-accounts-revised-january-2017>. 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 financial statements 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 year.

We have not been instructed to carry out an audit or a review of the financial statements 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 financial statements.

James Milne
Chartered Accountants
Rosewood
Raemoir Road
Banchory
AB31 4ET

18 December 2019

Paterson Steel Ltd
Statement of financial position
at 31 March 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	2		22,952		29,463
Current assets					
Stocks		5,335		-	
Debtors		142,818		74,690	
Cash at bank and in hand		6,850		13,722	
			155,003	88,412	
Creditors: amounts falling due within one year		(157,666)		(87,321)	
Net current (liabilities)/assets			(2,663)		1,091
Total assets less current liabilities			20,289		30,554
Creditors: amounts falling due after more than one year			(15,789)		(24,807)
Provisions for liabilities			(4,361)		(5,598)
Net assets			139		149
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			39		49
Total equity			139		149

Paterson Steel Ltd

Statement of financial position (continued)

at 31 March 2019

In accordance with section 444 of the Companies Act 2006 all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S.I. 2008/409)(b).

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 18 December 2019 and are signed on its behalf by:

Stuart Tillbrook
Director

Company Registration No. SC478621

Paterson Steel Ltd
Notes to the financial statements
for the year ended 31 March 2019

1 Accounting policies

Company information

Paterson Steel Ltd is a private company limited by shares incorporated in Scotland. The registered office is Tillylodge Newe, Strathdon, AB36 8TG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance & 3 years straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Paterson Steel Ltd

Notes to the financial statements (continued)
for the year ended 31 March 2019

1 Accounting policies (continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.6 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Paterson Steel Ltd

Notes to the financial statements (continued)
for the year ended 31 March 2019

2 Tangible fixed assets

	Total
	£
Cost	
At 1 April 2018	38,559
Additions	8,863
Disposals	(9,900)
At 31 March 2019	37,522
Depreciation and impairment	
At 1 April 2018	9,096
Depreciation charged in the year	6,899
Eliminated in respect of disposals	(1,425)
At 31 March 2019	14,570
Carrying amount	
At 31 March 2019	22,952
At 31 March 2018	29,463

3 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
500	-

Paterson Steel Ltd

Notes to the financial statements (continued)
for the year ended 31 March 2019

4 Directors' transactions

Description	Opening debit balance	Amounts advanced	Closing debit balance Amounts repaid
	£	£	£
Stuart Tillbrook - Director's account	121	19,749	(7,583)
Vanessa Tillbrook - Directors account	-	19,749	(7,583)
	<u>121</u>	<u>39,498</u>	<u>(15,166)</u>
	<u><u>121</u></u>	<u><u>39,498</u></u>	<u><u>(15,166)</u></u>

5 Controlling party

Vanessa Tillbrook, director, controls the company by virtue of her 80% holding of the issued share capital.

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.