

**REGISTERED NUMBER: SC023232 (Scotland)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2017**  
**FOR**  
**LANARKSHIRE WELDING COMPANY LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**for the Year Ended 28 FEBRUARY 2017**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Statement of Financial Position</b>	<b>2</b>
<b>Notes to the Financial Statements</b>	<b>3</b>

**LANARKSHIRE WELDING COMPANY LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 28 FEBRUARY 2017**

**DIRECTORS:**  
A W McDonald  
M A McDonald  
A D McDonald  
D E Pearson  
A R Clark  
J W Hett

**SECRETARY:** J W Hett

**REGISTERED OFFICE:**  
John Street  
Wishaw  
Lanarkshire  
ML2 7TQ

**REGISTERED NUMBER:** SC023232 (Scotland)

**AUDITORS:**  
Thomas Barrie & Co LLP  
Statutory Auditor  
Chartered Accountants  
Atlantic House  
1a Cadogan Street  
Glasgow  
G2 6QE

**STATEMENT OF FINANCIAL POSITION**  
**28 FEBRUARY 2017**

2016				2017
£	£		Notes	£
		<b>FIXED ASSETS</b>		
995,121		Tangible assets	4	897,564
		<b>CURRENT ASSETS</b>		
	202,710	Stocks		105,323
	1,514,833	Debtors	5	1,207,365
	515,456	Cash at bank and in hand		1,006,579
	<u>2,232,999</u>			<u>2,319,267</u>
		<b>CREDITORS</b>		
	1,537,077	Amounts falling due within one year	6	1,586,087
<u>695,922</u>		<b>NET CURRENT ASSETS</b>		<u>733,180</u>
1,691,043		<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,630,744
		<b>PROVISIONS FOR LIABILITIES</b>		
(30,699)				(21,199)
<u>(218,164)</u>		<b>ACCRUALS AND DEFERRED INCOME</b>		<u>(215,407)</u>
<u>1,442,180</u>		<b>NET ASSETS</b>		<u>1,394,138</u>
		<b>CAPITAL AND RESERVES</b>		
45,024		Called up share capital		40,024
45,048		Capital redemption reserve		50,048
148,324		Other reserves		148,324
<u>1,203,784</u>		Retained earnings		<u>1,155,742</u>
<u>1,442,180</u>		<b>SHAREHOLDERS' FUNDS</b>		<u>1,394,138</u>

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 4 October 2017 and were signed on its behalf by:

A W McDonald - Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the Year Ended 28 FEBRUARY 2017**

**1. STATUTORY INFORMATION**

Lanarkshire Welding Company Limited 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.

**Significant judgements and estimates**

In preparing these financial statements, the directors are required to make judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements:

Fixed Assets

The estimates and assumptions made to determine asset lives require judgements to be made as regards useful lives and residual values. The useful lives and residual values of the company's financial assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on management experience with similar assets. The depreciation rates being applied are outlined below.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. It includes a share of overheads and the estimated profit earned to the year end, using the percentage completion method and taking into account any anticipated losses.

**Turnover**

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

Services

Income from services is mainly on construction contracts. Each contract is reviewed in the light of transactions after the year end and an appropriate amount of the estimated profit, calculated on the percentage completed method, is reflected in the accounts.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Land and buildings	- 1% on cost
Plant and machinery etc	- 33% on cost, 25% on cost, 25% on reducing balance and 10% on cost

**Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 28 FEBRUARY 2017**

**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress includes all direct expenditure, an appropriate proportion of fixed and variable overheads, and a profit element based on the stage of completion of contracts at the year end.

**Financial instruments**

Basic financial instruments are recognised at amortised cost, except for investments in nonconvertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

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.

Cash and cash equivalents

Cash and cash equivalents comprises cash balances. Bank overdrafts that are payable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Creditors

Short term trade 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.

**Provisions**

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**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 statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 28 FEBRUARY 2017**

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged to the profit and loss account.

**Holiday pay**

Holiday pay is expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 70 (2016 - 68 ) .

**4. TANGIBLE FIXED ASSETS**

	Totals £	Land and buildings £	Plant and machinery etc £
<b>COST</b>			
At 1 March 2016	1,983,370	1,029,368	954,002
Additions	37,037	-	37,037
Disposals	(93,932)	-	(93,932)
At 28 February 2017	<u>1,926,475</u>	<u>1,029,368</u>	<u>897,107</u>
<b>DEPRECIATION</b>			
At 1 March 2016	988,249	290,640	697,609
Charge for year	112,274	9,189	103,085
Eliminated on disposal	(71,612)	-	(71,612)
At 28 February 2017	<u>1,028,911</u>	<u>299,829</u>	<u>729,082</u>
<b>NET BOOK VALUE</b>			
At 28 February 2017	<u>897,564</u>	<u>729,539</u>	<u>168,025</u>
At 29 February 2016	<u>995,121</u>	<u>738,728</u>	<u>256,393</u>

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

	2017 £	2016 £
Trade debtors	1,029,391	1,457,684
Other debtors	<u>177,974</u>	<u>57,149</u>
	<u>1,207,365</u>	<u>1,514,833</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Bank loans and overdrafts	220,158	79,012
Trade creditors	216,755	650,239
Taxation and social security	551,159	470,824
Other creditors	<u>598,015</u>	<u>337,002</u>
	<u>1,586,087</u>	<u>1,537,077</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 28 FEBRUARY 2017**

**7. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Martin Greig BA CA (Senior Statutory Auditor)  
for and on behalf of Thomas Barrie & Co LLP

**8. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

During the year, interest free advances were made to the directors. These were repayable on demand.

Total advances and credits during the year - £150,000

Amounts repaid during the year - £50,000



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.