

Henry McErlean Limited

Registered number: NI003490

Unaudited

Financial Statements

For the Year Ended 31 March 2018



Balance Sheet
As at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	490,709	507,453
		<u>490,709</u>	<u>507,453</u>
Current assets			
Stocks	6	16,239	13,853
Debtors: amounts falling due within one year	7	11,133	12,337
Cash at bank and in hand	8	56,044	27,123
		<u>83,416</u>	<u>53,313</u>
Creditors: amounts falling due within one year	9	(238,893)	(240,504)
Net current liabilities		<u>(155,477)</u>	<u>(187,191)</u>
Total assets less current liabilities		<u>335,232</u>	<u>320,262</u>
Provisions for liabilities			
Deferred tax	10	(3,753)	(3,950)
		<u>(3,753)</u>	<u>(3,950)</u>
Net assets		<u><u>331,479</u></u>	<u><u>316,312</u></u>
Capital and reserves			
Called up share capital	11	100,120	100,120
Other reserves	12	4,380	4,380
Profit and loss account	12	226,979	211,812
		<u><u>331,479</u></u>	<u><u>316,312</u></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.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 September 2018.

Henry McErlean Limited
Registered number: NI003490

Balance Sheet (continued)
As at 31 March 2018

Henry McErlean

Mr P McErlean
Director

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

**Statement of Changes in Equity
For the Year Ended 31 March 2018**

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2016	100,120	4,380	208,144	312,644
Comprehensive income for the year				
Profit for the year	-	-	13,668	13,668
Total comprehensive income for the year	-	-	13,668	13,668
Dividends: Equity capital	-	-	(10,000)	(10,000)
At 1 April 2017	100,120	4,380	211,812	316,312
Comprehensive income for the year				
Profit for the year	-	-	25,167	25,167
Total comprehensive income for the year	-	-	25,167	25,167
Dividends: Equity capital	-	-	(10,000)	(10,000)
At 31 March 2018	100,120	4,380	226,979	331,479

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

**Notes to the Financial Statements
For the Year Ended 31 March 2018**

1. General information

Henry McErlean Limited is a private company limited by shares incorporated in Northern Ireland. The registration number and address of the registered office are given in the company information section of these financial statements.

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 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.

2.3 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.

**Notes to the Financial Statements
For the Year Ended 31 March 2018**

2. Accounting policies (continued)

2.4 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Going concern

The Directors of Henry McErlean Limited have reviewed the resources available and believe that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, Henry McErlean Limited continues to adopt the going concern basis in preparing the financial statements.

**Notes to the Financial Statements
For the Year Ended 31 March 2018**

2. Accounting policies (continued)

3.1 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:

Leasehold property	- 2% Straight line
Plant and machinery	- 10% 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.

3.2 Stocks

Stocks are valued at the lower of cost (purchase price) and net realisable value, being selling price less associated selling costs.

3.3 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

3.4 Financial instruments

The Company only enters into basic financial instrument 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.

3.5 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**Notes to the Financial Statements
For the Year Ended 31 March 2018**

4. Employees

The average monthly number of employees, including directors, during the year was 17 (2017 - 14).

5. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2017	733,550	366,580	1,100,130
Additions	-	4,782	4,782
At 31 March 2018	<u>733,550</u>	<u>371,362</u>	<u>1,104,912</u>
Depreciation			
At 1 April 2017	257,396	335,280	592,676
Charge for the year on owned assets	14,664	6,863	21,527
At 31 March 2018	<u>272,060</u>	<u>342,143</u>	<u>614,203</u>
Net book value			
At 31 March 2018	<u>461,490</u>	<u>29,219</u>	<u>490,709</u>
At 31 March 2017	<u>476,154</u>	<u>31,299</u>	<u>507,453</u>

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Long leasehold	461,490	476,154
	<u>461,490</u>	<u>476,154</u>

6. Stocks

	2018 £	2017 £
Goods for resale	16,239	13,853
	<u>16,239</u>	<u>13,853</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2018**

7. Debtors

	2018 £	2017 £
Trade debtors	816	1,760
Prepayments and accrued income	10,317	10,577
	<u>11,133</u>	<u>12,337</u>

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	56,044	27,123
Less: bank overdrafts	(15)	-
	<u>56,029</u>	<u>27,123</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	15	-
Trade creditors	41,552	34,823
Corporation tax	9,348	469
Other taxation and social security	23,889	19,981
Other creditors	160,789	181,684
Accruals and deferred income	3,300	3,547
	<u>238,893</u>	<u>240,504</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2018**

10. Deferred taxation

	2018 £
At beginning of year	(3,950)
Charged to profit or loss	197
At end of year	(3,753)

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(3,753)	(3,950)
	(3,753)	(3,950)

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100,120 (2017 - 100,120) Ordinary shares of £1.00 each	100,120	100,120

12. Reserves

Other reserves

Capital redemption reserve £4,380 (2017: £4,380)

Profit and loss account

The profit and loss account represents cumulative profits and losses.

13. Related party transactions

The company is controlled by Mr & Mrs P McErlean.

Included in creditors is a loan of £160,350 (2017: £181,684) to the company by Mr P McErlean, a director.