

HUGH BLACK & SONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

HUGH BLACK & SONS LIMITED

COMPANY INFORMATION

Directors	Craig A. Black Hugh A. Black
Registered number	SC104537
Registered office	Block 3 Units 10-11 Whiteside Industrial Estate Bathgate West Lothian EH48 2RX
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2018

		2018 £	2017 £
Fixed assets			
Intangible assets	4	45,470	80,470
Tangible assets	5	1,577,427	1,580,526
Investments	6	32,511	32,511
		<u>1,655,408</u>	<u>1,693,507</u>
Current assets			
Stocks		173,859	172,986
Debtors: amounts falling due within one year	7	63,341	69,427
Cash at bank and in hand		307,150	294,557
		<u>544,350</u>	<u>536,970</u>
Creditors: amounts falling due within one year	8	(260,221)	(350,068)
Net current assets		<u>284,129</u>	<u>186,902</u>
Total assets less current liabilities		<u>1,939,537</u>	<u>1,880,409</u>
Creditors: amounts falling due after more than one year	9	(46,042)	(91,618)
Provisions for liabilities			
Deferred tax		(83,876)	(78,211)
		<u>(83,876)</u>	<u>(78,211)</u>
Net assets		<u><u>1,809,619</u></u>	<u><u>1,710,580</u></u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		1,809,519	1,710,480
		<u><u>1,809,619</u></u>	<u><u>1,710,580</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2018

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 income and retained earnings 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 by:

Craig A. Black
Director

Hugh A. Black
Director

Date: 7 December 2018

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

1. General information

The company is limited by shares and incorporated in Scotland; Registration Number: SC104537. The registered office address is Block 3, Units 10-11 Whiteside Industrial Estate, Bathgate, West Lothian, EH48 2RX.

financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

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 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

2.3 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 income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting 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 Statement of financial position 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 reporting date.

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life of five years.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight-line and reducing balance methods.

Depreciation is provided on the following basis:

Freehold property	-
	2% Straight line
Leasehold property improvements	-
	written off over the period of the lease
Plant and machinery	-
	20% Reducing balance
Motor vehicles	-
	25% Reducing balance
Computer equipment	-
	33% 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 income and retained earnings.

2.7 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 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.

2.10 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.

3. Employees

The average monthly number of employees, including directors, during the year was 120 (2017 - 117).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

4. Intangible assets

	Goodwill £
Cost	
At 1 May 2017	413,920
At 30 April 2018	<u>413,920</u>
Amortisation	
At 1 May 2017	333,450
Charge for the year	35,000
At 30 April 2018	<u>368,450</u>
Net book value	
At 30 April 2018	<u><u>45,470</u></u>
At 30 April 2017	<u><u>80,470</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

5. Tangible fixed assets

	Freehold property £	Leasehold property improve- ments £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation						
At 1 May 2017	1,155,090	12,165	687,948	237,519	9,328	2,102,050
Additions	-	-	105,352	17,964	-	123,316
Disposals	-	-	(3,000)	-	-	(3,000)
At 30 April 2018	<u>1,155,090</u>	<u>12,165</u>	<u>790,300</u>	<u>255,483</u>	<u>9,328</u>	<u>2,222,366</u>
Depreciation						
At 1 May 2017	21,670	12,165	376,889	106,482	4,318	521,524
Charge for the year	23,102	-	64,525	34,451	3,175	125,253
Disposals	-	-	(1,838)	-	-	(1,838)
At 30 April 2018	<u>44,772</u>	<u>12,165</u>	<u>439,576</u>	<u>140,933</u>	<u>7,493</u>	<u>644,939</u>
Net book value						
At 30 April 2018	<u>1,110,318</u>	<u>-</u>	<u>350,724</u>	<u>114,550</u>	<u>1,835</u>	<u>1,577,427</u>
<i>At 30 April 2017</i>	<u>1,133,420</u>	<u>-</u>	<u>311,059</u>	<u>131,037</u>	<u>5,010</u>	<u>1,580,526</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

6. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 May 2017	32,511
At 30 April 2018	<u>32,511</u>
Net book value	
At 30 April 2018	<u>32,511</u>
<i>At 30 April 2017</i>	<u>32,511</u>

7. Debtors

	2018 £	2017 £
Trade debtors	14,901	16,022
Other debtors	21,991	28,860
Prepayments and accrued income	26,449	24,545
	<u>63,341</u>	<u>69,427</u>

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	114,295	88,318
Other taxation and social security	62,502	88,237
Obligations under finance lease and hire purchase contracts	5,576	21,574
Other creditors	40,589	40,808
Accruals and deferred income	37,259	111,131
	<u>260,221</u>	<u>350,068</u>

The hire purchase contracts are secured over the fixed assets of the company.

Included in "other creditors" is an amount of £40,000 (2017 - £40,000) which is secured over one of the company's freehold properties.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

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

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	6,040	11,616
Other creditors	40,002	80,002
	<u>46,042</u>	<u>91,618</u>

The hire purchase contracts are secured over the fixed assets of the company.

Included in "other creditors" is an amount of £40,002 (2017 - £80,002) which is secured over one of the company's freehold properties.

10. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100 (2017 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

11. Commitments under operating leases

At 30 April 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	59,205	49,985
Later than 1 year and not later than 5 years	85,833	69,083
	<u>145,038</u>	<u>119,068</u>