

# Smith Brothers Builders Limited

Annual Report and Unaudited Abridged Financial Statements  
for the Year Ended 31 March 2017

# Smith Brothers Builders Limited

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# **Smith Brothers Builders Limited**

## **Company Information**

<b>Directors</b>	J B Smith C J B Smith
<b>Company secretary</b>	C J B Smith
<b>Registered office</b>	Strandhead 12 The Strand Beith KA15 1DT

# **Smith Brothers Builders Limited**

## **Directors' Report for the Year Ended 31 March 2017**

The directors present their report and the abridged financial statements for the year ended 31 March 2017.

### **Directors of the company**

The directors who held office during the year were as follows:

J B Smith

C J B Smith - Company secretary and director

### **Principal activity**

The principal activity of the company is Property developer

### **Small companies provision statement**

This report has 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.

Approved by the Board on 31 October 2017 and signed on its behalf by:

.....

C J B Smith

Company secretary and director

**Smith Brothers Builders Limited**  
**(Registration number: SC160353)**  
**Abridged Balance Sheet as at 31 March 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	211,930	114,903
<b>Current assets</b>			
Stocks	<u>6</u>	29,168	20,623
Debtors		184,748	116,012
Cash at bank and in hand		13,576	8,732
		227,492	145,367
<b>Prepayments and accrued income</b>		10,138	9,960
<b>Creditors: Amounts falling due within one year</b>		(235,159)	(177,898)
<b>Net current assets/(liabilities)</b>		2,471	(22,571)
<b>Total assets less current liabilities</b>		214,401	92,332
<b>Provisions for liabilities</b>		(19,107)	(6,853)
<b>Accruals and deferred income</b>		(25,534)	(14,596)
<b>Net assets</b>		169,760	70,883
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Revaluation reserve		71,497	-
Profit and loss account		97,263	69,883
<b>Total equity</b>		169,760	70,883

For the financial year 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 year 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.

All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

**Smith Brothers Builders Limited**  
**(Registration number: SC160353)**  
**Abridged Balance Sheet as at 31 March 2017**

Approved and authorised by the Board on 31 October 2017 and signed on its behalf by:

.....

J B Smith

Director

The notes on pages 5 to 11 form an integral part of these abridged financial statements.

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# **Smith Brothers Builders Limited**

## **Notes to the Abridged Financial Statements for the Year Ended 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:

Strandhead  
12 The Strand  
Beith  
KA15 1DT

These financial statements were authorised for issue by the Board on 31 October 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 abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Basis of preparation**

These abridged 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.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each company's activities

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income 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 taxable income.

## Smith Brothers Builders Limited

### Notes to the Abridged Financial Statements for the Year Ended 31 March 2017

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRSSE. Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

#### 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
Land and buildings	2% on cost
Plant and machinery	25% on cost
Fixtures and fittings	20% on cost
Motor vehicles	25% on cost

#### 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.

#### 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.

#### Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Costs include all direct costs and an appropriate proportion of fixed and variable overheads

#### 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.



# Smith Brothers Builders Limited

## Notes to the Abridged Financial Statements for the Year Ended 31 March 2017

### 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.

### Defined contribution pension obligation

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 27 (2016 - 26).

### 4 Profit before tax

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	28,169	19,033

# Smith Brothers Builders Limited

## Notes to the Abridged Financial Statements for the Year Ended 31 March 2017

### 5 Tangible assets

	<b>Total £</b>
<b>Cost or valuation</b>	
At 1 April 2016	286,570
Revaluations	49,100
Additions	44,370
	<hr/>
At 31 March 2017	380,040
	<hr/>
<b>Depreciation</b>	
At 1 April 2016	171,667
Charge for the year	28,169
Impairment	(31,726)
	<hr/>
At 31 March 2017	168,110
	<hr/>
<b>Carrying amount</b>	
At 31 March 2017	211,930
	<hr/>
At 31 March 2016	114,903
	<hr/>

Included within the net book value of land and buildings above is £155,167 (2016 - £74,617) in respect of freehold land and buildings.

### Revaluation

The fair value of the company's Land and buildings was revalued on 31 January 2017 by an independent valuer.

Valuations prepared on short form report basis.. The name and qualification of the independent valuer are Allied Scotland, Chartered Surveyors, RICS Registered Valuer.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £111,708 (2016 - £111,708).

### 6 Stocks

	<b>2017 £</b>	<b>2016 £</b>
Work in progress	26,668	18,123
Other inventories	2,500	2,500
	<hr/>	<hr/>
	29,168	20,623
	<hr/>	<hr/>

The cost of stocks recognised as an expense in the year amounted to £2,500 (2016 - £2,500).

# Smith Brothers Builders Limited

## Notes to the Abridged Financial Statements for the Year Ended 31 March 2017

### 7 Related party transactions

#### Transactions with directors

	At 1 April 2016 £	Repayments by director £	At 31 March 2017 £
<b>2017</b>			
<b>J B Smith</b>			
Director's loan account	(39,995)	(22,723)	(62,718)
<b>C J B Smith</b>			
Director's loan account	(20,311)	(2,393)	(22,704)

	At 1 April 2015 £	Repayments by director £	Other payments made to company by director £	At 31 March 2016 £
<b>2016</b>				
<b>J B Smith</b>				
Director's loan account	(11,564)	(28,431)	-	(39,995)
<b>C J B Smith</b>				
Director's loan account	(12,450)	(8,200)	339	(20,311)

#### Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	23,730	19,633
Contributions paid to money purchase schemes	12,200	3,600
	35,930	23,233

During the year the number of directors who were receiving benefits and share incentives was as follows:

2017 No.	2016 No.
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Accruing benefits under money purchase pension scheme

2

2

**Dividends paid to directors**

# Smith Brothers Builders Limited

## Notes to the Abridged Financial Statements for the Year Ended 31 March 2017

	2017 £	2016 £
<b>J B Smith</b>		
J B Smith	28,125	28,845
	<hr/>	<hr/>
<b>C J B Smith</b>		
C J B Smith	28,125	28,845
	<hr/>	<hr/>

### 8 Transition to FRS 102

#### Balance Sheet at 1 April 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	111,226	-	-	111,226
<b>Current assets</b>				
Stocks	15,855	-	-	15,855
Debtors	135,366	-	-	135,366
Cash at bank and in hand	20,592	-	-	20,592
	171,813	-	-	171,813
Creditors: Amounts falling due within one year	(181,999)	-	-	(181,999)
Net current liabilities	(10,186)	-	-	(10,186)
Total assets less current liabilities	101,040	-	-	101,040
Provisions for liabilities	(5,502)	-	-	(5,502)
Net assets	95,538	-	-	95,538
<b>Capital and reserves</b>				
Called up share capital	1,000	-	-	1,000
Profit and loss account	94,538	-	-	94,538
Total equity	95,538	-	-	95,538

# Smith Brothers Builders Limited

## Notes to the Abridged Financial Statements for the Year Ended 31 March 2017

### Balance Sheet at 31 March 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	114,903	-	-	114,903
<b>Current assets</b>				
Stocks	20,623	-	-	20,623
Debtors	125,973	-	-	125,973
Cash at bank and in hand	8,732	-	-	8,732
	155,328	-	-	155,328
Creditors: Amounts falling due within one year	(192,495)	-	-	(192,495)
Net current liabilities	(37,167)	-	-	(37,167)
Total assets less current liabilities	77,736	-	-	77,736
Provisions for liabilities	(6,853)	-	-	(6,853)
Net assets	70,883	-	-	70,883
<b>Capital and reserves</b>				
Called up share capital	1,000	-	-	1,000
Profit and loss account	69,883	-	-	69,883
Total equity	70,883	-	-	70,883

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.