

AJC CONSTRUCTION SCOTLAND LIMITED
SC216542

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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COMPANIES HOUSE

MESTON REID & CO.
CHARTERED ACCOUNTANTS
12 CARDEN PLACE
ABERDEEN
AB10 1UR

AJC CONSTRUCTION SCOTLAND LIMITED

COMPANY INFORMATION

Directors	Earl of Aboyne Gordon Hutcheon Neil Paterson
Secretary	Earl of Aboyne
Company number	SC216542
Registered office	12 Carden Place Aberdeen AB10 1UR
Auditors	Meston Reid & Co 12 Carden Place Aberdeen AB10 1UR
Business address	Aboyne Castle Aboyne Aberdeenshire AB34 5JP
Bankers	Santander Bridle Road Bootle Merseyside L30 4GB

AJC CONSTRUCTION SCOTLAND LIMITED

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AJC CONSTRUCTION SCOTLAND LIMITED

BALANCE SHEET

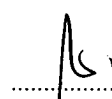
AS AT 31 MARCH 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	3	406,901	517,073
Current assets			
Stocks		13,407	19,452
Debtors	4	2,812,524	2,639,538
Cash at bank and in hand		180	774
		<u>2,826,111</u>	<u>2,659,764</u>
Creditors: amounts falling due within one year	5	<u>(1,394,332)</u>	<u>(1,562,168)</u>
Net current assets		1,431,779	1,097,596
Total assets less current liabilities		<u>1,838,680</u>	<u>1,614,669</u>
Creditors: amounts falling due after more than one year	6	(1,000)	(8,562)
Provisions for liabilities		<u>(81,268)</u>	<u>(103,218)</u>
Net assets		<u><u>1,756,412</u></u>	<u><u>1,502,889</u></u>
Capital and reserves			
Called up share capital	8	5,000	5,000
Profit and loss reserves		<u>1,751,412</u>	<u>1,497,889</u>
Total equity		<u><u>1,756,412</u></u>	<u><u>1,502,889</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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 and are signed on its behalf by:



 Earl of Aboyne
 Director

Company Registration No. SC216542

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

AJC Construction Scotland Limited (SC216542) is a private company limited by shares incorporated in Scotland. The registered office is 12 Carden Place, Aberdeen, AB10 1UR. The business address is Aboyne Castle, Aboyne, Aberdeenshire, AB34 5JP.

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. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2016 are the first financial statements of AJC Construction Scotland Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover represents amounts receivable for general construction services net of VAT and trade discounts and in the case of long term contracts the value of work undertaken during the year.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, the rates are now as follows:

Tenant improvements	25% straight line
Plant and machinery	15% straight line
Fixtures, fittings & equipment	25 % straight line
Motor vehicles	20 % straight line

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

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 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 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.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

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.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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.

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

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 profit and loss account, 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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.12 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 balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Government grants

Grants towards capital expenditure are credited to deferred revenue and are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are recorded in the profit and loss account in the period in which the related expenditure is incurred.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 35 (2015 - 35).

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2015	4,254	882,688	886,942
Additions	-	31,392	31,392
Disposals	-	(31,843)	(31,843)
At 31 March 2016	4,254	882,237	886,491
Depreciation and impairment			
At 1 April 2015	3,272	366,597	369,869
Depreciation charged in the year	421	134,781	135,202
Eliminated in respect of disposals	-	(25,481)	(25,481)
At 31 March 2016	3,693	475,897	479,590
Carrying amount			
At 31 March 2016	561	406,340	406,901
At 31 March 2015	982	516,091	517,073

4 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	1,122,900	1,507,251
Gross amounts due from contract customers	40,159	14,844
Other debtors	1,591,755	1,066,442
Prepayments and accrued income	57,710	51,001
	2,812,524	2,639,538

5 Creditors: amounts falling due within one year

	2016	2015
	£	£
Notes		
Bank loans and overdrafts	143,540	72,264
Obligations under finance leases	20,561	88,849
Trade creditors	535,396	875,398
Corporation tax	136,896	144,234
Other taxation and social security	40,949	61,990
Other creditors	212,401	97,299
Accruals and deferred income	304,589	222,134
	1,394,332	1,562,168

The bank overdraft facility is secured by a bond and floating charge over the whole assets of the company.

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

6 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases		1,000	8,562

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. The average lease term is 2 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

7 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	81,268	103,218
	81,268	103,218

8 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000

9 Directors' transactions

Included within loans and overdrafts are amounts due from/ (to) the directors as follows:

Earl of Aboyne

Interest rate	- %
Opening balance as at 1 April 2015	15,130
Amounts advanced during the year	3,126
Interest charged	-
Amounts repaid/credited during the year	(143,164)
Closing balance as at 31 March 2016	(124,908)

Dividends totalling £196,000 (2015 - £120,000) were paid in the year in respect of shares held by the company's directors.

AJC CONSTRUCTION SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

10 Related party transactions

During the year the company entered into the following transactions with related parties:

AJC Homes Scotland Limited

AJC Homes Scotland Limited is under the direct control of the Earl of Aboyne, director.

Included within other debtors are amounts receivable from AJC Homes Scotland Limited of £1,513,263 (2015 - £877,964). The balance will be repaid when the company has sufficient funds available. At the year end a balance of £439,719 (2015 - £838,342) was due from AJC Homes Scotland Limited for the supply of construction services during the year and is included within trade debtors. At the year end a balance of £30,000 (2015 - £nil) was due to AJC Homes Scotland Limited and is included within creditors.

Aboyne Castle Estate Trust

The Earl of Aboyne, director, is a beneficiary of Aboyne Castle Estate Trust.

The company invoiced Aboyne Castle Estate Trust for construction work of which £66,349 (2015 - £67,215) was outstanding at the year end. At the year end £1,200 (2015 - £850) was due from Aboyne Castle Estate Trust for the use of tractor fuel. Included in other debtors are amounts receivable totalling £10,000 (2015 - £10,000) due from Aboyne Castle Estate Trust for monies advanced by the company. This balance is repayable on demand.

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

The senior statutory auditor was William Anderson BA CA.

The auditor was Meston Reid & Co.