
M & M PLUMBING & HEATING SUPPLIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

M & M PLUMBING & HEATING SUPPLIES LIMITED

COMPANY INFORMATION

Directors	Mark Moores Andrew McDonald
Company secretary	Mark Moores
Registered number	SC333448
Registered office	Unit 10 Angus Works Tannadice Street Dundee DD3 7PT
Accountants	Findlays Chartered Accountants 11 Dudhope Terrace Dundee DD3 6TS
Bankers	The Royal Bank of Scotland 277 Strathmartine Road Dundee DD3 8NS

M & M PLUMBING & HEATING SUPPLIES LIMITED

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M & M PLUMBING & HEATING SUPPLIES LIMITED

**REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF M & M PLUMBING & HEATING SUPPLIES LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of M & M Plumbing & Heating Supplies Limited for the year ended 31 December 2018 which comprise the Statement of Financial Position and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/technical-resources/framework-for-the-preparation-of-accounts-revised-january-2017>.

This report is made solely to the Board of Directors of M & M Plumbing & Heating Supplies Limited, as a body, in accordance with the terms of our engagement letter dated 1 March 2019. Our work has been undertaken solely to prepare for your approval the financial statements of M & M Plumbing & Heating Supplies Limited and state those matters that we have agreed to state to the Board of Directors of M & M Plumbing & Heating Supplies Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.com/technical-resources/framework-for-the-preparation-of-accounts-revised-january-2017>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than M & M Plumbing & Heating Supplies Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that M & M Plumbing & Heating Supplies Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of M & M Plumbing & Heating Supplies Limited. You consider that M & M Plumbing & Heating Supplies Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of M & M Plumbing & Heating Supplies Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Findlays

Chartered Accountants
11 Duchope Terrace
Dundee
DD3 6TS
12 April 2019

M & M PLUMBING & HEATING SUPPLIES LIMITED
REGISTERED NUMBER: SC333448

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	178,260	183,427
Investment property	5	163,100	91,100
		<u>341,360</u>	<u>274,527</u>
Current assets			
Stocks		299,446	260,075
Debtors: amounts falling due within one year	6	498,512	411,581
Cash at bank and in hand	7	40,663	106,943
		<u>838,621</u>	<u>778,599</u>
Creditors: amounts falling due within one year	8	(695,059)	(611,462)
Net current assets		<u>143,562</u>	<u>167,137</u>
Total assets less current liabilities		<u>484,922</u>	<u>441,664</u>
Creditors: amounts falling due after more than one year	9	(180,189)	(155,155)
Provisions for liabilities			
Deferred tax		(3,818)	(4,813)
		<u>(3,818)</u>	<u>(4,813)</u>
Net assets		<u><u>300,915</u></u>	<u><u>281,696</u></u>
Capital and reserves			
Called up share capital		200	200
Profit and loss account		300,715	281,496
		<u><u>300,915</u></u>	<u><u>281,696</u></u>

M & M PLUMBING & HEATING SUPPLIES LIMITED
REGISTERED NUMBER: SC333448

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 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 on 12 April 2019.

Mark Moores
Director

The notes on pages 4 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

M&M Plumbing & Heating Supplies Limited is a private company limited by its share capital (company number SC333448). The company was incorporated in Scotland and its registered office is; Unit 10 Angus Works, Tannadice Street, Dundee, DD3 7PT.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

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:

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 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.4 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.6 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.7 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.

2.8 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 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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 and reducing balance method .

Depreciation is provided on the following basis:

Freehold property	- Not Depreciated
Plant and machinery	- 20% Straight Line
Motor vehicles	- 25% Reducing Balance
Fixtures and fittings	- 20% Straight Line
Computer equipment	- 25% 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.

2.10 Investment property

Investment property is stated at cost. The directors have not had the property revalued by external valuers as this would have incurred undue cost.

2.11 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.

2.12 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.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.14 Creditors

Short term 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.

2.15 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 Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

2.16 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.

2.17 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.

M & M PLUMBING & HEATING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	63,769	75,428
	<u>63,769</u>	<u>75,428</u>
Total current tax	<u>63,769</u>	<u>75,428</u>
Deferred tax		
Origination and reversal of timing differences	(995)	(408)
	<u>(995)</u>	<u>(408)</u>
Total deferred tax	<u>(995)</u>	<u>(408)</u>
Taxation on profit on ordinary activities	<u>62,774</u>	<u>75,020</u>
Factors affecting tax charge for the year		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £
Cost or valuation					
At 1 January 2018	158,285	13,938	39,511	14,095	46,795
Additions	-	-	-	1,599	1,260
At 31 December 2018	158,285	13,938	39,511	15,694	48,055
Depreciation					
At 1 January 2018	-	13,938	22,137	11,638	41,484
Charge for the year on owned assets	-	-	4,343	1,235	2,448
At 31 December 2018	-	13,938	26,480	12,873	43,932
Net book value					
At 31 December 2018	158,285	-	13,031	2,821	4,123
At 31 December 2017	158,285	-	17,374	2,457	5,311

M & M PLUMBING & HEATING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 January 2018	272,624
Additions	2,859
	<hr/>
At 31 December 2018	275,483
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Depreciation	
At 1 January 2018	89,197
Charge for the year on owned assets	8,026
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At 31 December 2018	97,223
	<hr/>
Net book value	
At 31 December 2018	<u>178,260</u>
At 31 December 2017	<u>183,427</u>

M & M PLUMBING & HEATING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Investment property

	Freehold investment property £
Valuation	
At 1 January 2018	91,100
Additions at cost	72,000
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At 31 December 2018	163,100
	<hr/>

The 2018 valuations were made by the directors of the company, on an open market value for existing use basis.

At 31 December 2018

M & M PLUMBING & HEATING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Debtors

	2018 £	2017 £
Trade debtors	478,837	392,137
Other debtors	4,250	4,250
Prepayments and accrued income	15,425	15,194
	<u>498,512</u>	<u>411,581</u>

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	40,663	106,943
	<u>40,663</u>	<u>106,943</u>

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	25,319	18,164
Trade creditors	535,703	457,210
Corporation tax	63,769	75,428
Other taxation and social security	54,863	45,176
Obligations under finance lease and hire purchase contracts	3,218	5,904
Other creditors	3,066	2,816
Accruals and deferred income	9,121	6,764
	<u>695,059</u>	<u>611,462</u>

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

	2018 £	2017 £
Bank loans	180,189	151,937
Net obligations under finance leases and hire purchase contracts	-	3,218
	<u>180,189</u>	<u>155,155</u>

M & M PLUMBING & HEATING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £15,050 (2017 - £22,748).

11. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Not later than 1 year	503	503
	<u>503</u>	<u>503</u>
	2018	2017
	£	£
Not later than 1 year	30,167	26,518
Later than 1 year and not later than 5 years	7,920	27,011
	<u>38,087</u>	<u>53,529</u>

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.