

PHILIP ENGINEERING (ELGIN) LIMITED
FILLETED UNAUDITED FINANCIAL STATEMENTS
31 OCTOBER 2017



RITSONS
Chartered Accountants
1a Cluny Square
Buckie
Moray
AB56 1AH

PHILIP ENGINEERING (ELGIN) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2017

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PHILIP ENGINEERING (ELGIN) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

A. Philip
Mrs L. Philip

Company secretary

Mrs L Philip

Registered office

20 Perimeter Road
Pinefield Industrial Estate
Elgin
Moray
IV30 6AF

Accountants

Ritsons
Chartered Accountants
1a Cluny Square
Buckie
Moray
AB56 1AH

PHILIP ENGINEERING (ELGIN) LIMITED

STATEMENT OF FINANCIAL POSITION

31 OCTOBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	5	210,610	215,723
CURRENT ASSETS			
Stocks		10,660	5,200
Debtors	6	132,248	174,461
Cash at bank and in hand		106,699	49,836
		<u>249,607</u>	<u>229,497</u>
CREDITORS: amounts falling due within one year	7	130,212	138,287
NET CURRENT ASSETS		<u>119,395</u>	<u>91,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		330,005	306,933
CREDITORS: amounts falling due after more than one year	8	25,075	41,925
PROVISIONS			
Taxation including deferred tax		35,004	34,523
NET ASSETS		<u>269,926</u>	<u>230,485</u>
CAPITAL AND RESERVES			
Called up share capital		1,000	1,000
Profit and loss account		268,926	229,485
SHAREHOLDERS FUNDS		<u>269,926</u>	<u>230,485</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 31 October 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 4 to 7 form part of these financial statements.

PHILIP ENGINEERING (ELGIN) LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 OCTOBER 2017

These financial statements were approved by the board of directors and authorised for issue on 14.05.18, and are signed on behalf of the board by:



A. Philip
Director

Company registration number: SC238115

The notes on pages 4 to 7 form part of these financial statements.

PHILIP ENGINEERING (ELGIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2017

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 20 Perimeter Road, Pinefield Industrial Estate, Elgin, Moray, IV30 6AF.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 November 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

PHILIP ENGINEERING (ELGIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2017

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	- 5% reducing balance
Plant and Equipment	- 15% reducing balance
Fixtures and Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

PHILIP ENGINEERING (ELGIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2017

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 10 (2016: 10).

PHILIP ENGINEERING (ELGIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2017

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Nov 2016	5,421	452,342	6,147	28,905	24,493	517,308
Additions	–	15,684	1,537	26,076	857	44,154
Disposals	–	(14,576)	–	(21,105)	–	(35,681)
At 31 Oct 2017	5,421	453,450	7,684	33,876	25,350	525,781
Depreciation						
At 1 Nov 2016	3,173	255,710	2,896	24,820	14,986	301,585
Charge for the year	112	31,025	719	6,601	1,557	40,014
Disposals	–	(9,079)	–	(17,349)	–	(26,428)
At 31 Oct 2017	3,285	277,656	3,615	14,072	16,543	315,171
Carrying amount						
At 31 Oct 2017	2,136	175,794	4,069	19,804	8,807	210,610
At 31 Oct 2016	2,248	196,632	3,251	4,085	9,507	215,723

6. Debtors

	2017 £	2016 £
Trade debtors	131,708	173,496
Other debtors	540	965
	132,248	174,461

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	31,370	31,725
Corporation tax	18,067	–
Social security and other taxes	46,087	49,756
Other creditors	34,688	56,806
	130,212	138,287

8. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	25,075	41,925

9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 November 2015.

No transitional adjustments were required in equity or profit or loss for the year.

PHILIP ENGINEERING (ELGIN) LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31 OCTOBER 2017

The following pages do not form part of the financial statements.

PHILIP ENGINEERING (ELGIN) LIMITED

CHARTERED ACCOUNTANTS REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PHILIP ENGINEERING (ELGIN) LIMITED

YEAR ENDED 31 OCTOBER 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Philip Engineering (Elgin) Limited for the year ended 31 October 2017, 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 ICAS, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance.

This report is made solely to the Board of Directors of Philip Engineering (Elgin) Limited, as a body, in accordance with the terms of our engagement letter dated 16 June 2009. Our work has been undertaken solely to prepare for your approval the financial statements of Philip Engineering (Elgin) Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Philip Engineering (Elgin) Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Philip Engineering (Elgin) 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 Philip Engineering (Elgin) Limited. You consider that Philip Engineering (Elgin) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Philip Engineering (Elgin) 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.



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