

Brick and Steel Construction Company Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 July 2018

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Brick and Steel Construction Company Limited

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Brick and Steel Construction Company Limited

Company Information

Director Mr John McClory

Registered office 2 - 6 Boswell Square
Hillington Industrial Estate
Glasgow
G52 4BQ

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Brick and Steel Construction Company Limited

Director's Report for the Year Ended 31 July 2018

The director presents his report and the financial statements for the year ended 31 July 2018.

Director of the company

The director who held office during the year was as follows:

Mr John McClory

Principal activity

The principal activity of the company is the construction and renovation of commercial and residential properties

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 director on 18 April 2019 and signed on its behalf by:

.....
Mr John McClory
Director

Brick and Steel Construction Company Limited

Statement of Director's Responsibilities

The director acknowledges his responsibilities for preparing the report and financial statements in accordance with the Companies Act 2006, and all applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Brick and Steel Construction Company Limited
(Registration number: SC121094)
Statement of Financial Position as at 31 July 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	1,038,724	1,033,995
Current assets			
Stocks	5	336,192	471,898
Debtors	6	494,226	730,937
Investments	7	52,238	52,238
Cash at bank and in hand		567,337	531,616
		1,449,993	1,786,689
Creditors: Amounts falling due within one year	8	(409,095)	(724,403)
Net current assets		1,040,898	1,062,286
Total assets less current liabilities		2,079,622	2,096,281
Creditors: Amounts falling due after more than one year	8	(20,435)	(39,331)
Provisions for liabilities		(34,154)	(32,551)
Net assets		2,025,033	2,024,399
Capital and reserves			
Called up share capital	9	30,000	30,000
Profit and loss account		1,995,033	1,994,399
Total equity		2,025,033	2,024,399

For the financial year ending 31 July 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income Statement has been taken.

The notes on pages [6](#) to [11](#) form an integral part of these financial statements.

Brick and Steel Construction Company Limited
(Registration number: SC121094)
Statement of Financial Position as at 31 July 2018

Approved and authorised by the director on 18 April 2019

.....

Mr John McClory
Director

The notes on pages [6](#) to [11](#) form an integral part of these financial statements.

Brick and Steel Construction Company Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

2 - 6 Boswell Square
Hillington Industrial Estate
Glasgow
G52 4BQ
Scotland

These financial statements were authorised for issue by the director on 18 April 2019.

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 financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These 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 of the 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Brick and Steel Construction Company Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

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
Vehicles, plant and machinery	25% reducing balance
Land and Buildings	Nil

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

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

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.

Brick and Steel Construction Company Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

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 Income Statement 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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 32 (2017 - 30).

Brick and Steel Construction Company Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 August 2017	816,346	220,330	359,334	1,396,010
Additions	-	400	105,868	106,268
Disposals	-	(320)	(49,870)	(50,190)
At 31 July 2018	816,346	220,410	415,332	1,452,088
Depreciation				
At 1 August 2017	-	195,853	166,163	362,016
Charge for the year	-	6,205	67,921	74,126
Eliminated on disposal	-	(263)	(22,515)	(22,778)
At 31 July 2018	-	201,795	211,569	413,364
Carrying amount				
At 31 July 2018	816,346	18,615	203,763	1,038,724
At 31 July 2017	816,346	24,478	193,171	1,033,995

Included within the net book value of land and buildings above is £816,346 (2017 - £816,346) in respect of freehold land and buildings.

5 Stocks

	2018 £	2017 £
Work in progress	336,192	471,898

6 Debtors

	2018 £	2017 £
Trade debtors	232,418	379,035
Other debtors	261,808	351,902
	494,226	730,937

7 Current asset investments

	2018 £	2017 £
Other investments	52,238	52,238

Brick and Steel Construction Company Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	10	18,500	18,500
Trade creditors		261,663	491,664
Amounts owed to group undertakings and undertakings in which the company has a participating interest		47,727	47,140
Taxation and social security		26,047	62,607
Accruals and deferred income		5,700	8,625
Other creditors		49,458	95,867
		409,095	724,403

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	10	20,435	39,331

9 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	30,000	30,000	30,000	30,000
		30,000	30,000	30,000

10 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	20,435	39,331

Brick and Steel Construction Company Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	<u>18,500</u>	<u>18,500</u>

Bank borrowings

The carrying amount of Bank loan at year end is £38,935 (2017 - £57,831).