

Brick and Steel Construction Company Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 July 2019

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Brick and Steel Construction Company Limited

Contents

Company Information	1
Balance Sheet	2 to 3
Notes to the Unaudited Financial Statements	4 to 9

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

(Registration number: SC121094) Balance Sheet as at 31 July 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	1,094,576	1,038,724
Current assets			
Stocks	5	18,023	336,192
Debtors	6	547,394	494,226
Investments	7	52,238	52,238
Cash at bank and in hand		802,036	567,337
		<u>1,419,691</u>	<u>1,449,993</u>
Creditors: Amounts falling due within one year	8	<u>(404,287)</u>	<u>(409,095)</u>
Net current assets		<u>1,015,404</u>	<u>1,040,898</u>
Total assets less current liabilities		2,109,980	2,079,622
Creditors: Amounts falling due after more than one year	8	-	(20,435)
Provisions for liabilities		<u>(45,360)</u>	<u>(34,154)</u>
Net assets		<u>2,064,620</u>	<u>2,025,033</u>
Capital and reserves			
Called up share capital	9	30,000	30,000
Profit and loss account		<u>2,034,620</u>	<u>1,995,033</u>
Total equity		<u>2,064,620</u>	<u>2,025,033</u>

The notes on pages [4](#) to [9](#) form an integral part of these financial statements.

Brick and Steel Construction Company Limited

(Registration number: SC121094)

Balance Sheet as at 31 July 2019

For the financial year ending 31 July 2019 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 Profit and Loss Account has been taken.

Approved and authorised by the director on 10 February 2020

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Mr John McClory
Director

The notes on pages [4](#) to [9](#) form an integral part of these financial statements.

Brick and Steel Construction Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

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 10 February 2020.

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.

Brick and Steel Construction Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

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.

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

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

Brick and Steel Construction Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

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.

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.

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.

Brick and Steel Construction Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

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 30 (2018 - 32).

4 Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 August 2018	816,346	220,410	415,332	1,452,088
Additions	-	2,350	250,170	252,520
Disposals	-	(1,853)	(147,483)	(149,336)
	816,346	220,907	518,019	1,555,272
Depreciation				
At 1 August 2018	-	201,795	211,569	413,364
Charge for the year	-	5,222	87,521	92,743
Eliminated on disposal	-	(1,776)	(43,635)	(45,411)
	-	205,241	255,455	460,696
Carrying amount				
At 31 July 2019	816,346	15,666	262,564	1,094,576
At 31 July 2018	816,346	18,615	203,763	1,038,724

Included within the net book value of land and buildings above is £816,346 (2018 - £816,346) in respect of freehold land and buildings.

5 Stocks

	2019 £	2018 £
Work in progress	18,023	336,192

Brick and Steel Construction Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

6 Debtors

	2019 £	2018 £
Trade debtors	256,637	232,418
Other debtors	290,757	261,808
	547,394	494,226

7 Current asset investments

	2019 £	2018 £
Other investments	52,238	52,238
	52,238	52,238

8 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	10	-	18,500
Trade creditors		203,952	261,663
Amounts owed to group undertakings and undertakings in which the company has a participating interest		79,000	47,727
Taxation and social security		96,426	28,893
Accruals and deferred income		24,909	5,700
Other creditors		-	46,612
		404,287	409,095

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	10	-	20,435
		-	20,435

9 Share capital

Allotted, called up and fully paid shares

Brick and Steel Construction Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	30,000	30,000	30,000	30,000

10 Loans and borrowings

	2019	2018
	£	£
Non-current loans and borrowings		
Bank borrowings	-	20,435

	2019	2018
	£	£
Current loans and borrowings		
Bank borrowings	-	18,500

Bank borrowings

Bank loan is denominated in with a nominal interest rate of %, and the final instalment is due on . The carrying amount at year end is £Nil (2018 - £38,935).