

Company Registration No. SC091320 (Scotland)

**CHAMIC INDUSTRIAL SERVICES
LIMITED**

**UNAUDITED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2018

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CHAMIC INDUSTRIAL SERVICES LIMITED

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CHAMIC INDUSTRIAL SERVICES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	4		106,034		110,301
Investments	5		5,400		5,400
			<u>111,434</u>		<u>115,701</u>
Current assets					
Stocks		337,232		379,863	
Debtors	6	1,301,114		1,223,917	
Cash at bank and in hand		6,380		541	
		<u>1,644,726</u>		<u>1,604,321</u>	
Creditors: amounts falling due within one year	7				
		<u>(553,490)</u>		<u>(520,415)</u>	
Net current assets			1,091,236		1,083,906
Total assets less current liabilities			<u>1,202,670</u>		<u>1,199,607</u>
Creditors: amounts falling due after more than one year	8				
			(19,046)		(17,896)
Provisions for liabilities					
Deferred tax liability		11,525		14,614	
		<u>11,525</u>	<u>(11,525)</u>	<u>14,614</u>	<u>(14,614)</u>
Net assets			<u>1,172,099</u>		<u>1,167,097</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves			1,171,999		1,166,997
Total equity			<u>1,172,099</u>		<u>1,167,097</u>

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

CHAMIC INDUSTRIAL SERVICES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

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

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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 and signed by the director and authorised for issue on 18 December 2018

Mr C A M Hunter

Director

Company Registration No. SC091320

CHAMIC INDUSTRIAL SERVICES LIMITED

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

1 Accounting policies

Company information

Chamic Industrial Services Limited is a private company limited by shares incorporated in Scotland. The registered office is 27 Bankhead Drive, Edinburgh, EH11 4DN.

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 under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2018 are the first financial statements of Chamic Industrial Services 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 2016. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts.

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 it is probable will be recovered.

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.

CHAMIC INDUSTRIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

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 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).

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.

At each reporting date, an assessment is made for impairment.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and 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.

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 balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are measured at transaction price including transaction costs.

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.

CHAMIC INDUSTRIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies 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 payments 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.

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.

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.

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CHAMIC INDUSTRIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Exceptional costs/(income)

	2018	2017
	£	£
Loss on disposal of operations	-	633
	==	==

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 43 (2017 - 37).

CHAMIC INDUSTRIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2017	378,424
Additions	24,910
Disposals	(13,795)
	<u> </u>
At 31 March 2018	389,539
	<u> </u>
Depreciation	
At 1 April 2017	268,123
Depreciation charged in the year	27,681
Eliminated in respect of disposals	(12,299)
	<u> </u>
At 31 March 2018	283,505
	<u> </u>
Carrying amount	
At 31 March 2018	106,034
	<u> </u>
At 31 March 2017	110,301
	<u> </u>

5 Fixed asset investments

	2018	2017
	£	£
Investments	5,400	5,400
	<u> </u>	<u> </u>

Movements in fixed asset investments

	Investments
	other than
	loans
	£
Cost or valuation	
At 1 April 2017 & 31 March 2018	5,400
	<u> </u>
Carrying amount	
At 31 March 2018	5,400
	<u> </u>
At 31 March 2017	5,400
	<u> </u>

CHAMIC INDUSTRIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

6 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	448,342	321,798
Corporation tax recoverable	54,135	65,833
Other debtors	798,637	836,286
	<u>1,301,114</u>	<u>1,223,917</u>
	<u><u>1,301,114</u></u>	<u><u>1,223,917</u></u>

7 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	-	66,831
Obligations under hire purchase contracts	17,962	17,361
Other borrowings	84,491	66,542
Trade creditors	283,652	254,247
Corporation tax	2,024	9,929
Other taxation and social security	111,165	61,375
Other creditors	2,369	2,972
Accruals and deferred income	51,827	41,158
	<u>553,490</u>	<u>520,415</u>
	<u><u>553,490</u></u>	<u><u>520,415</u></u>

As seen above the company had net obligations under hire purchase contracts due within one year of £17,962 (2017 - £17,361). These contracts were secured by fixed charges over the assets concerned.

The above bank overdraft is secured over a bond and floating charge put in place by The Royal Bank of Scotland Plc.

8 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Obligations under hire purchase contracts	19,046	17,896
	<u>19,046</u>	<u>17,896</u>

As seen above the client has net obligations under hire purchase contracts due after more than one year of £19,046 (2017 - £17,896) which are secured by fixed charges over the assets concerned.

CHAMIC INDUSTRIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

9 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>

10 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018	2017
	Balance	Balance
	£	£
Amounts owed by related parties		
Key management personnel	187,823	191,644
Other related parties	28,720	36,370
	<u>187,823</u>	<u>191,644</u>
	<u><u>216,543</u></u>	<u><u>228,014</u></u>

Included in loans to related parties are loans of £25,149 (2017 - £32,799) and £3,571 (2017 - £3,571) respectively to M C Hunter and M M H Hunter, both of whom are directors in the parent company Hunter Investments Limited.

All of these loans are interest free and have no fixed terms of repayment.

11 Parent company

The ultimate parent company is Hunter Investments Limited, a company registered in Scotland.

