

Company registration number: SC109368

Hescott Engineering Company Limited

Unaudited filleted financial statements

31 December 2021

Hescott Engineering Company Limited

Contents

Directors and other information

Accountants report

Statement of financial position

Notes to the financial statements

Hescott Engineering Company Limited

Directors and other information

Directors

T A Scott
A Hepburn
C T Scott
G J Hepburn

Secretary

T A Scott

Company number

SC109368

Registered office

Lochlands Viaduct
Larbert
Stirlingshire
FK5 3NN

Business address

Lochlands Viaduct
Larbert
Stirlingshire
FK5 3NN

Accountants

Barrie Scott & Co.
16-18 Weir Street
Falkirk
FK1 1RA

Hescott Engineering Company Limited

Report to the board of directors on the preparation of the

unaudited statutory financial statements of Hescott Engineering Company Limited

Year ended 31 December 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hescott Engineering Company Limited for the year ended 31 December 2021 which comprise the statement of financial position, statement of changes in equity and 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 <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the board of directors of Hescott Engineering Company Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Hescott Engineering Company Limited and state those matters that we have agreed to state to the board of directors of Hescott Engineering Company Limited as a body, in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hescott Engineering Company Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Hescott Engineering Company 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 Hescott Engineering Company Limited. You consider that Hescott Engineering Company 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 Hescott Engineering Company 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.

Barrie Scott & Co.

Accountants & Tax Advisers

16-18 Weir Street

Falkirk

FK1 1RA

22 June 2022

Hescott Engineering Company Limited

Statement of financial position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	818,345	937,053
		<u>818,345</u>	<u>937,053</u>
Current assets			
Stocks		1,554,962	1,639,266
Debtors	6	597,218	941,636
Cash at bank and in hand		5,003,479	4,198,909
		<u>7,155,659</u>	<u>6,779,811</u>
Creditors: amounts falling due within one year	7	(1,461,686)	(1,856,140)
Net current assets		<u>5,693,973</u>	<u>4,923,671</u>
Total assets less current liabilities		<u>6,512,318</u>	<u>5,860,724</u>
Provisions for liabilities		(72,407)	(89,542)
Net assets		<u>6,439,911</u>	<u>5,771,182</u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		14,000	14,000
Profit and loss account		6,425,811	5,757,082
Shareholders funds		<u>6,439,911</u>	<u>5,771,182</u>

For the year ending 31 December 2021 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.

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 Section 1A of 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 statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 22 June 2022 , and are signed on behalf of the board by:

G J Hepburn

Director

Company registration number: SC109368

Hescott Engineering Company Limited

Notes to the financial statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Lochlands Viaduct, Larbert, Stirlingshire, FK5 3NN.

2. Statement of compliance

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

Going concern

These accounts are prepared on a Going Concern basis. The directors have reviewed the situation regarding the Coronavirus pandemic and are of the opinion that the company has adequate resources to continue for the foreseeable future.

Revenue recognition

Turnover represents the total value, excluding value added tax, of income from contracts and jobbing sales made during the year. Revenue from construction contracts is recognised by reference to the stage of completion of contract activity at the statement of financial position date. Revenue from jobbing sales is recognised at sales invoice date.

Taxation

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

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

tangible assets are initially recorded at cost, and are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves 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	-	2 % straight line
Plant and machinery	-	25 % reducing balance
Motor vehicles	-	25 % reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

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.

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 stocks to their present location and condition.

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 in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 54 (2020: 48).

5. Tangible assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2021	561,612	1,524,453	316,431	2,402,496
Additions	-	8,539	28,676	37,215
Disposals	-	-	(38,421)	(38,421)
At 31 December 2021	561,612	1,532,992	306,686	2,401,290
Depreciation				
At 1 January 2021	147,012	1,100,411	218,020	1,465,443
Charge for the year	11,231	108,144	30,179	149,554
Disposals	-	-	(32,052)	(32,052)
At 31 December 2021	158,243	1,208,555	216,147	1,582,945
Carrying amount				
At 31 December 2021	403,369	324,437	90,539	818,345
At 31 December 2020	414,600	424,042	98,411	937,053

6. Debtors

	2021	2020
	£	£
Trade debtors	81,540	487,575
Other debtors	515,678	454,061
	<u>597,218</u>	<u>941,636</u>

7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,154,639	1,245,602
Corporation tax	248,247	169,428
Social security and other taxes	49,800	432,110
Other creditors	9,000	9,000
	<u>1,461,686</u>	<u>1,856,140</u>

8. Related party transactions

During the year the company paid dividends of £ 308,024 (2020: £253,608) to its parent company Hescott Holdings Limited.

9. Controlling party

The immediate and ultimate parent undertaking is Hescott Holdings Limited , a company incorporated in Scotland.

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.