Scott-Moncrieff
business advisers and accountants

A & C RODGER ENGINEERING LTD

Company registration number SC342870

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

A & C RODGER ENGINEERING LIMITED

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A & C RODGER ENGINEERING LIMITED

COMPANY INFORMATION

Directors	James Colin Anderson Andrew Rodger
Company secretary	James Colin Anderson
Registered number	SC342870
Registered office	8 Flakefield East Kilbride Glasgow G74 1PF
Accountants	Scott-Moncrieff Chartered Accountants 25 Bothwell Street Glasgow G2 6NL

A & C RODGER ENGINEERING LIMITED
REGISTERED NUMBER:SC342870

BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Note		2017 £		*2016 £*
Fixed assets					
Tangible assets	7		**90,300**		*119,116*
			90,300		*119,116*
Current assets					
Stocks		**2,400**		*2,200*	
Debtors: amounts falling due within one year	8	**128,675**		*113,494*	
Cash at bank and in hand		**2**		*2*	
		131,077		*115,696*	
Creditors: amounts falling due within one year	9	**(133,125)**		*(120,187)*	
Net current liabilities			**(2,048)**		*(4,491)*
Total assets less current liabilities			**88,252**		*114,625*
Creditors: amounts falling due after more than one year	10		**(58,428)**		*(72,155)*
Provisions for liabilities					
Deferred tax	12	**(10,394)**		*(14,140)*	
			(10,394)		*(14,140)*
Net assets			**19,430**		*28,330*
Capital and reserves					
Called up share capital			**10,000**		*10,000*
Profit and loss account			**9,430**		*18,330*
			19,430		*28,330*

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

As permitted by Section 444 of the Companies Act 2006, the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account for the year ended 30 September 2017.

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2017

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

....
Andrew Rodger
Director

Date: 28 June 2018
The notes on pages 4 to 15 form part of these financial statements.

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the company's transactions are denominated. They comprise the financial statements of the drawn up for the year ended 30 September 2017.

The business activity of A&C Rodger Engineering Limited is that of precision engineering

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC342870.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

Before 1 October 2016 the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS 102, as issued by the Financial Reporting Council, and referred to as 'previous UK GAAP'. Information on the impact of first-time adoption of FRS 102 is given in note 17. The date of transition is 1 October 2015.

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered a period of at least twelve months from the date on which these financial statements have been signed and having considered all relevant information available to them, believe it appropriate to prepare the financial statements on a going concern basis.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.5 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 October 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 10% on cost
Equipment, fixtures and fittings	- 25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market

2. Accounting policies (continued)

2.15 Financial instruments (continued)

rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	*2016 No.*
Employees	**10**	*12*

4. Directors' remuneration

	2017 £	*2016 £*
Directors' emoluments	**18,182**	*17,857*
Company contributions to defined contribution pension schemes	**3,600**	*3,600*
	21,782	*21,457*

5. Taxation

	2017 £	*2016 £*
Corporation tax		
Current tax on profits for the year	**13,873**	*11,739*
	13,873	*11,739*
Total current tax	**13,873**	*11,739*
Deferred tax		
Origination and reversal of timing differences	**(3,746)**	*(6,381)*
Total deferred tax	**(3,746)**	*(6,381)*
Taxation on profit on ordinary activities	**10,127**	*5,358*

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% *(2016 - 20%)*.

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Dividends

	2017 £	*2016 £*
Dividends paid on ordinary shares	**47,204**	*46,994*
	47,204	*46,994*

7. Tangible fixed assets

	Plant and machinery	Fixtures and fittings	Total
	£	£	£
Cost or valuation			
At 1 October 2016	**290,096**	**10,434**	**300,530**
Additions	**-**	**258**	**258**
At 30 September 2017	**290,096**	**10,692**	**300,788**
Depreciation			
At 1 October 2016	**170,980**	**10,434**	**181,414**
Charge for the year on owned assets	**24,642**	**64**	**24,706**
Charge for the year on financed assets	**4,368**	**-**	**4,368**
At 30 September 2017	**199,990**	**10,498**	**210,488**
Net book value			
At 30 September 2017	**90,106**	**194**	**90,300**
At 30 September 2016	*119,116*	*-*	*119,116*

8. Debtors

	2017	2016
	£	£
Trade debtors	127,008	112,244
Prepayments and accrued income	1,667	1,250
	128,675	113,494

9. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Bank overdrafts	44,827	35,124
Trade creditors	29,945	18,518
Corporation tax	13,970	11,835
Other taxation and social security	25,745	25,882
Obligations under finance lease and hire purchase contracts	3,541	14,228
Other creditors	4,647	4,500
Accruals and deferred income	10,450	10,100
	133,125	120,187

10. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Net obligations under finance leases and hire purchase contracts	1,018	3,525
Other creditors	57,410	68,630
	58,428	72,155

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	*2016 £*
Within one year	**3,541**	*14,228*
Between 1-5 years	**1,017**	*3,525*
	4,558	*17,753*

12. Deferred taxation

	2017 £
At beginning of year	**(14,140)**
Charged to profit or loss	**3,746**
At end of year	**(10,394)**

The provision for deferred taxation is made up as follows:

	2017 £	*2016 £*
Accelerated capital allowances	**(10,394)**	*(14,140)*
	(10,394)	*(14,140)*

13. Share capital

	2017 £	*2016 £*
Allotted, called up and fully paid		
2,900 A shares of £1 each	**2,900**	*2,900*
5,100 B shares of £1 each	**5,100**	*5,100*
2,000 C shares of £1 each	**2,000**	*2,000*
	10,000	*10,000*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

14. Pension commitments

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independantly administered fund. The pension cost and charge represents contributions payable by the company to the fund in respect of the year and amounted to £3,697 (*2016: £3,600*). At 30 September 2017 no contributions (*2016: £nil*) were payable to the fund.

15. Commitments under operating leases

At 30 September 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £
Not later than 1 year	20,000
Later than 1 year and not later than 5 years	36,667
	56,667

16. Related party transactions

Included in creditors due after more than one year is a loan from John Rodger, a shareholder, amounting to £49,910 (*2016 - £56,630*). The loan has no fixed interest or repayment terms and John Rodger has stated that he will not seek payment of this amount within one year from the date on which these accounts are signed.

During the year dividends of £23,602 (*2016 - £23,497*) were paid to the director, Andrew Rodger and £23,602 (*2016 - £23,497*) to the director, Colin Anderson.

17. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.