

— REGISTRAR OF COMPANIES  
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**D. W. Lyon Agricultural Contractors Ltd**  
**Unaudited Abridged Financial Statements**  
**For the year ended**  
**31 December 2017**



**I.A. STEWART & CO**  
Chartered Accountants  
The Mechanics Workshop  
New Lanark  
ML11 9DB

# **D. W. Lyon Agricultural Contractors Ltd**

## **Abridged Financial Statements**

**Year ended 31 December 2017**

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# D. W. Lyon Agricultural Contractors Ltd

## Abridged Statement of Financial Position

31 December 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	5	28,913	31,757
Tangible assets	6	1,048,779	963,000
		<u>1,077,692</u>	<u>994,757</u>
<b>Current assets</b>			
Stocks		36,850	28,070
Debtors		85,078	43,540
Cash at bank and in hand		25,489	30,141
		<u>147,417</u>	<u>101,751</u>
<b>Creditors: amounts falling due within one year</b>		<u>(176,183)</u>	<u>(142,645)</u>
<b>Net current liabilities</b>		<u>(28,766)</u>	<u>(40,894)</u>
<b>Total assets less current liabilities</b>		<u>1,048,926</u>	<u>953,863</u>
<b>Creditors: amounts falling due after more than one year</b>		<u>(699,916)</u>	<u>(640,197)</u>
<b>Provisions</b>			
Taxation including deferred tax		<u>(152,161)</u>	<u>(136,605)</u>
<b>Net assets</b>		<u>196,849</u>	<u>177,061</u>

The abridged statement of financial position  
continues on the following page.

The notes on pages 3 to 7 form part of these abridged financial statements.

# D. W. Lyon Agricultural Contractors Ltd

## Abridged Statement of Financial Position *(continued)*

31 December 2017

	Note	2017 £	2016 £
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>196,749</u>	<u>176,961</u>
<b>Shareholders funds</b>		<u><b>196,849</b></u>	<u><b>177,061</b></u>

These abridged 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 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 abridged statement of income and retained earnings has not been delivered.

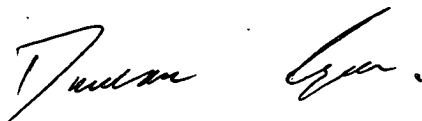
For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### Director's responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements.

These abridged financial statements were approved by the board of directors and authorised for issue on 27 April 2018, and are signed on behalf of the board by:

Mr D Lyon  
Director



Company registration number: SC333858

The notes on pages 3 to 7 form part of these abridged financial statements.

# **D. W. Lyon Agricultural Contractors Ltd**

## **Notes to the Abridged Financial Statements**

**Year ended 31 December 2017**

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### **1. General information**

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Arthurshiels Farm, Quothquan Mill, Quothquan, Biggar, Lanarkshire, ML12 6NB.

### **2. Statement of compliance**

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

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### **Taxation**

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

# **D. W. Lyon Agricultural Contractors Ltd**

## **Notes to the Abridged Financial Statements (continued)**

**Year ended 31 December 2017**

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### **3. Accounting policies (continued)**

#### **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.

#### **Goodwill**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill amortisation - 5% straight line

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

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### **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	- 2-5% reducing balance
Plant and machinery	- 10-15% reducing balance
Fixtures and fittings	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Equipment	- 40% reducing balance

#### **Impairment of fixed assets**

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.

# **D. W. Lyon Agricultural Contractors Ltd**

## **Notes to the Abridged Financial Statements (continued)**

**Year ended 31 December 2017**

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### **3. Accounting policies (continued)**

#### **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 stock to its present location and condition.

#### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the abridged statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

#### **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.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

### **4. Staff**

The average number of persons employed by the company during the year amounted to 5 (2016: 5).

# D. W. Lyon Agricultural Contractors Ltd

## Notes to the Abridged Financial Statements *(continued)*

Year ended 31 December 2017

### 5. Intangible assets

	£
<b>Cost</b>	
At 1 January 2017 and 31 December 2017	<u>56,878</u>
<b>Amortisation</b>	
At 1 January 2017	25,121
Charge for the year	2,844
<b>At 31 December 2017</b>	<u>27,965</u>
<b>Carrying amount</b>	
At 31 December 2017	<u>28,913</u>
At 31 December 2016	<u>31,757</u>

### 6. Tangible assets

	£
<b>Cost</b>	
At 1 January 2017	1,379,061
Additions	267,675
Disposals	(135,860)
<b>At 31 December 2017</b>	<u>1,510,876</u>
<b>Depreciation</b>	
At 1 January 2017	416,061
Charge for the year	127,767
Disposals	(81,731)
<b>At 31 December 2017</b>	<u>462,097</u>
<b>Carrying amount</b>	
At 31 December 2017	<u>1,048,779</u>
At 31 December 2016	<u>963,000</u>

### 7. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	<u>—</u>	<u>20,000</u>

### 8. Charges on assets

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £327,601 (2016 - £264,292).

Bank borrowing is secured by a bond and floating charge and a personal guarantee for £40,000.



# **D. W. Lyon Agricultural Contractors Ltd**

## **Notes to the Abridged Financial Statements *(continued)***

**Year ended 31 December 2017**

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### **9. Pension commitments**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The amount of unpaid contributions at the balance sheet date amounted to £70 (2016 - £43) and are included in other creditors.

### **10. Director's advances, credits and guarantees**

The director's loan account was not in debit at any time during the year.

## **Statement of Consent to Prepare Abridged Financial Statements**

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All of the members of D. W. Lyon Agricultural Contractors Ltd have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 31 December 2017 in accordance with Section 444(2A) of the Companies Act 2006.