

Company Registration No. 00597855 (England and Wales)

ALEXANDER CLEGHORN LIMITED
ANNUAL REPORT AND ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
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ALEXANDER CLEGHORN LIMITED

COMPANY INFORMATION

Directors	GSG Cleghorn GG Cleghorn P Pittuck
Secretary	GSG Cleghorn
Company number	00597855
Registered office	C/O Goldwins Limited 75 Maygrove Road West Hampstead London NW6 2EG
Auditors	Goldwins Limited 75 Maygrove Road West Hampstead London NW6 2EG
Business address	Newbridge Road Tiptree Colchester, Essex CO5 OJA
Bankers	Barclays Bank plc Colchester Business Centre Colchester Essex CO4 4YA

ALEXANDER CLEGHORN LIMITED

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ALEXANDER CLEGHORN LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Fair review of the business

The results for the year are set out on page 6 and shows turnover for the year of £13,184,787 (2014: £13,305,392) and operating profit for the year of £320,662 (2014: £168,821). The company's directors are satisfied with the results and financial position at the year end.

Principal risks and uncertainties

The wood manufacturing sector remains highly competitive. Other than this, the principal risks to the company are customer demand and fluctuations in the cost of material purchases.

Development and performance

The directors believe that there is scope for the further development of the existing activities of the company and the cash balances held by the company are to be used for this purpose and to help fund future trading requirements.

Key performance indicators

The company uses a range of performance measures to monitor and manage the business effectively. The most significant of these are key performance indicators.

The main performance indicators for the year ended 31 December 2015 are as below:

- Turnover (£) 13,184,787 (2014: £13,305,392)
- Gross profit (£) 3,354,159 (2014: £3,004,933)
- Gross margin (%) 25 (2014: 23)
- Profit before tax (£) 291,661 (2014: £142,525)
- Stock turnover (days) 55 (2014: 58)
- Debtors (days) 72 (2014: 82)
- Creditors (days) 65 (2014: 66)

Other performance indicators

Other key performance indicators include like for like sales, stock cover and sales density.

Other information and explanations

There have been no events since the balance sheet date which materially affect the position of the company.

On behalf of the board



.....
GSG Cleghorn
Director

.....
27/10/16

ALEXANDER CLEGHORN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company continued to be that of woodworkers and manufacturers of component parts for the 'Do it Yourself' and furniture industries.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

GSG Cleghorn
GG Cleghorn
P Pittuck

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Future developments

The aim of the directors is to maintain, expand and develop the company whenever the opportunity arises.

Auditors

Goldwins Limited were appointed auditors to the company and in accordance with section 487(2) of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



.....
GSG Cleghorn
Director

.....
27/10/16

ALEXANDER CLEGHORN LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ALEXANDER CLEGHORN LIMITED

INDEPENDENT AUDITOR'S REPORT TO ALEXANDER CLEGHORN LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 23, together with the financial statements of ALEXANDER CLEGHORN LIMITED for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445 (3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Anthony I Benosiglio (Senior Statutory Auditor)
for and on behalf of Goldwins Limited

Chartered Accountants
Statutory Auditor

27/10/16
.....

75 Maygrove Road
West Hampstead
London
NW6 2EG

ALEXANDER CLEGHORN LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	13,184,787	13,305,392
Other operating income and cost of sales		(9,871,658)	(10,300,459)
Distribution costs		(925,232)	(931,261)
Administrative expenses		(2,107,265)	(1,904,851)
Operating profit	4	280,632	168,821
Interest receivable and similar income	7	1,008	473
Interest payable and similar charges	8	10,021	(26,769)
Profit before taxation		291,661	142,525
Taxation	9	(15,591)	(28,505)
Profit for the financial year	22	276,070	114,020
Total comprehensive income for the year		276,070	114,020

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ALEXANDER CLEGHORN LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	10		3,391,621		2,834,090
Current assets					
Stocks	12	1,015,245		1,181,400	
Debtors	13	2,652,775		3,064,939	
Cash at bank and in hand		927,692		353,202	
		<u>4,595,712</u>		<u>4,599,541</u>	
Creditors: amounts falling due within one year	14	<u>(2,113,195)</u>		<u>(2,522,605)</u>	
Net current assets			<u>2,482,517</u>		<u>2,076,936</u>
Total assets less current liabilities			<u>5,874,138</u>		<u>4,911,026</u>
Creditors: amounts falling due after more than one year	15		(710,501)		(35,883)
Provisions for liabilities	18		(301,969)		(289,545)
Net assets			<u><u>4,861,668</u></u>		<u><u>4,585,598</u></u>
Capital and reserves					
Called up share capital	21		40,000		40,000
Profit and loss reserves	22		<u>4,821,668</u>		<u>4,545,598</u>
Total equity			<u><u>4,861,668</u></u>		<u><u>4,585,598</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

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

.....
GSG Cleghorn
Director

27/10/16

Company Registration No. 00597855

ALEXANDER CLEGHORN LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2014		40,000	4,431,578	4,471,578
<hr/>				
Period ended 31 December 2014:				
Profit and total comprehensive income for the year		-	114,020	114,020
<hr/>				
Balance at 31 December 2014		40,000	4,545,598	4,585,598
<hr/>				
Period ended 31 December 2015:				
Profit and total comprehensive income for the year		-	276,070	276,070
<hr/>				
Balance at 31 December 2015		40,000	4,821,668	4,861,668
<hr/>				

ALEXANDER CLEGHORN LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Cash flows from operating activities					
Cash generated from operations	25	941,726		669,469	
Interest paid		10,021		(26,769)	
Income taxes paid		(21,765)		(84,828)	
Net cash inflow from operating activities		929,982		557,872	
Investing activities					
Purchase of tangible fixed assets		(1,053,618)		(234,177)	
Proceeds on disposal of tangible fixed assets		-		6,600	
Interest received		1,008		473	
Net cash used in investing activities		(1,052,610)		(227,104)	
Financing activities					
Repayment of bank loans		(151,884)		(134,223)	
Payment of finance leases obligations		849,001		(30,756)	
Net cash generated from/(used in) financing activities		697,117		(164,979)	
Net increase in cash and cash equivalents		574,489		165,789	
Cash and cash equivalents at beginning of year		353,202		187,416	
Cash and cash equivalents at end of year		927,692		353,202	

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

ALEXANDER CLEGHORN LIMITED is a company limited by shares incorporated in England and Wales. The registered office is C/O Goldwins Limited, 75 Maygrove Road, West Hampstead, London, NW6 2EG.

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.

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 on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of ALEXANDER CLEGHORN 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 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT.

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

1.4 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.

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:

Land and buildings Freehold	2% straight line basis
Long leasehold property	2% straight line basis
Cabins	4% straight line basis
Plant and machinery	8.5% straight line basis
Fixtures, fittings & equipment	20% straight line basis
Motor vehicles	20% straight line basis

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 recognised in the profit and loss account.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

1.8 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 statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 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.

1.10 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.12 Retirement benefits

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contribution actually paid in the year are as either accruals or prepayments at the year end.

1.13 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, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 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 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2015 £	2014 £
Total turnover	<u>13,184,787</u>	<u>13,305,392</u>
Other significant revenue		
Interest income	<u>1,008</u>	<u>473</u>

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

4 Operating profit

	2015	2014
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	3,409	8
Fees payable to the company's auditors for the audit of the company's financial statements	9,600	9,600
Depreciation of owned tangible fixed assets	377,946	393,251
Depreciation of tangible fixed assets held under finance leases	118,140	31,109
(Loss)/profit on disposal of tangible fixed assets	-	(6,600)
Cost of stocks recognised as an expense	7,435,848	8,098,202
Operating lease charges	17,177	15,884
	<u>2,950,364</u>	<u>2,673,710</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015 Number	2014 Number
Works	77	73
Sales and administration	16	18
Distribution	6	6
	<u>99</u>	<u>97</u>

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	2,636,992	2,415,322
Social security costs	236,616	225,214
Pension costs	76,756	33,174
	<u>2,950,364</u>	<u>2,673,710</u>

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

6 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	366,171	316,554
Company pension contributions to defined contribution schemes	29,400	21,618
	<u>395,571</u>	<u>338,172</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2014 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	147,691	119,340
Company pension contributions to defined contribution schemes	10,200	8,100
	<u>157,891</u>	<u>127,440</u>

7 Interest receivable and similar income

	2015 £	2014 £
Interest income		
Interest on bank deposits	1,008	473
	<u>1,008</u>	<u>473</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,008	473
	<u>1,008</u>	<u>473</u>

8 Interest payable and similar charges

	2015 £	2014 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	(20,261)	23,724
Interest on finance leases and hire purchase contracts	10,240	3,045
	<u>(10,021)</u>	<u>26,769</u>

9 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	3,167	21,765
	<u>3,167</u>	<u>21,765</u>

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

9 Taxation (Continued)

Deferred tax		
Origination and reversal of timing differences	12,424	6,740

Total tax charge	15,591	28,505
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The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015 £	2014 £
Profit before taxation	291,661	142,525
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2014: 20.00%)	58,332	28,505
Tax effect of expenses that are not deductible in determining taxable profit	7,531	2,496
Depreciation on assets not qualifying for tax allowances	99,217	83,552
Deferred tax	12,424	6,740
Capital allowances	(161,913)	(92,788)
Tax expense for the year	15,591	28,505

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

10 Tangible fixed assets

	Land and buildings Freehold £	Long leasehold property £	Cabins £	Plant and machinery £	Fixtures, Motor vehicles fittings & equipment £	£	Total £
Cost							
At 1 January 2015	432,090	349,413	18,677	6,172,861	31,850	155,546	7,160,437
Additions	-	-	-	1,044,444	9,174	-	1,053,618
At 31 December 2015	432,090	349,413	18,677	7,217,305	41,024	155,546	8,214,055
Depreciation and impairment							
At 1 January 2015	90,502	206,368	15,647	3,937,506	14,107	62,218	4,326,348
Depreciation charged in the year	8,642	6,988	427	442,543	6,377	31,109	496,086
At 31 December 2015	99,144	213,356	16,074	4,380,049	20,484	93,327	4,822,434
Carrying amount							
At 31 December 2015	332,946	136,057	2,603	2,837,256	20,540	62,219	3,391,621
At 31 December 2014	341,588	143,045	3,030	2,235,356	17,743	93,328	2,834,090

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

10 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £118,140 (2014 - £31,109) for the year.

	2015 £	2014 £
Plant and machinery	936,860	-
Motor vehicles	62,219	93,328
	<u>999,079</u>	<u>93,328</u>

11 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>2,598,850</u>	<u>2,999,351</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>2,486,660</u>	<u>2,277,487</u>

12 Stocks

	2015 £	2014 £
Raw materials and consumables	938,182	1,079,837
Work in progress	77,063	101,563
	<u>1,015,245</u>	<u>1,181,400</u>

13 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	68,721	547,646
Other debtors	2,530,129	2,451,705
Prepayments and accrued income	53,925	65,588
	<u>2,652,775</u>	<u>3,064,939</u>

The company sells most of its sales invoices to a factoring company, HSBC Invoice Finance (UK) Limited. All the risks and rewards of ownership of the debts are transferred to the HSBC Invoice Finance (UK) Limited. As long as the terms and conditions of the agreement with the bank are not breached there is no recourse to the company. The invoice ledger balance at the year end owed by HSBC Invoice Finance (UK) Limited is included in other debtors.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

14 Creditors: amounts falling due within one year

	Notes	2015 £	2014 £
Loans and overdrafts	16	-	151,884
Obligations under finance leases	17	205,140	30,757
Trade creditors		1,403,514	1,563,530
Corporation tax		3,167	21,765
Other taxation and social security		333,869	259,236
Other creditors		-	71,209
Accruals and deferred income		167,505	424,224
		<u>2,113,195</u>	<u>2,522,605</u>

15 Creditors: amounts falling due after more than one year

	Notes	2015 £	2014 £
Obligations under finance leases	17	<u>710,501</u>	<u>35,883</u>

16 Loans and overdrafts

	2015 £	2014 £
Bank loans	<u>-</u>	<u>151,884</u>
Payable within one year	<u>-</u>	<u>151,884</u>

17 Finance lease obligations

	2015 £	2014 £
Future minimum lease payments due under finance leases:		
Within one year	205,140	30,756
In two to five years	710,501	35,884
	<u>915,641</u>	<u>66,640</u>

Hire purchase and finance lease payments represent rentals payable over a fixed period by the company for items of plant and machinery. Ownership is transferred at the end of the period.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

18 Provisions for liabilities

	Notes	2015 £	2014 £
Deferred tax liabilities	19	301,969	289,545
		<u>301,969</u>	<u>289,545</u>

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2015 £	Liabilities 2014 £
Balances:		
Accelerated capital allowances	<u>301,969</u>	<u>289,545</u>
Movements in the year:		2015 £
Liability at 1 January 2015		289,545
Charge to profit or loss		<u>12,424</u>
Liability at 31 December 2015		<u>301,969</u>

20 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £76,756 (2014 - £33,174).

21 Share capital

	2015 £	2014 £
Ordinary share capital		
Authorised		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Issued and fully paid		
40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>

22 Reserves

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

22 Reserves

(Continued)

Profit and loss reserves

Called-up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses.

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £	2014 £
Within one year	14,010	5,189
Between two and five years	32,194	-
In over five years	6,000	6,000
	<u>52,204</u>	<u>11,189</u>

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2015 £	2014 £
Aggregate compensation	<u>396,651</u>	<u>338,172</u>

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

24 Related party transactions

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2015	2014	2015	2014
	£	£	£	£
Alexander Cleghorn (Purchases) Ltd	-	-	3,409,278	4,371,493
	-	-	3,409,278	4,371,493

	Rent paid to The Alexander Cleghorn Discretionary Settlement		Purchases of freehold land	
	2015	2014	2015	2014
	£	£	£	£
Key management personnel	-	-	-	30,000
Other related parties	6,000	6,000	-	30,000
	6,000	6,000	-	60,000

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2015	2014
	£	£
Alexander Cleghorn (Purchases) Ltd	666,841	835,597
Key management personnel	-	20,000
Other related parties	8,895	20,000
	675,736	875,597

No guarantees have been given or received.

ALEXANDER CLEGHORN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

25 Cash generated from operations

	2015	2014
	£	£
Profit for the year after tax	276,070	114,020
Adjustments for:		
Taxation charged	15,591	28,505
Finance costs	(10,021)	26,769
Investment income	(1,008)	(473)
Gain on disposal of tangible fixed assets	-	(6,600)
Depreciation and impairment of tangible fixed assets	496,086	424,360
Movements in working capital:		
Decrease in stocks	166,155	50,565
Decrease/(increase) in debtors	412,164	(238,660)
(Decrease)/increase in creditors	(413,311)	270,983
Cash generated from operations	941,726	669,469