

Company Registration No. SC045228 (Scotland)

**WILLIAM JOHNSTON & COMPANY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

# **WILLIAM JOHNSTON & COMPANY LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Company information	1
Balance sheet	2 - 3
Notes to the financial statements	4 - 10

---

# **WILLIAM JOHNSTON & COMPANY LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	Mr W Hardie Mr R Dawson Mr C J Edwards Mr R A McEwen Mrs F McEwen Mr A C McEwen Mrs S D Patrick
<b>Secretary</b>	Mrs F McEwen
<b>Company number</b>	SC045228
<b>Registered office</b>	9 Spiersbridge Terrace Thornliebank Industrial Estate Glasgow Strathclyde Scotland G46 8JH
<b>Accountants</b>	Consilium Chartered Accountants 169 West George Street Glasgow United Kingdom G2 2LB

# WILLIAM JOHNSTON & COMPANY LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	3		97,640		81,747
<b>Current assets</b>					
Stocks		330,677		398,578	
Debtors	4	775,836		866,945	
Cash at bank and in hand		541,891		338,297	
		<u>1,648,404</u>		<u>1,603,820</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(768,175)</u>		<u>(759,300)</u>	
<b>Net current assets</b>			880,229		844,520
<b>Total assets less current liabilities</b>			<u>977,869</u>		<u>926,267</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(18,410)		(11,385)
<b>Provisions for liabilities</b>	11		(8,949)		(4,498)
<b>Net assets</b>			<u>950,510</u>		<u>910,384</u>
<b>Capital and reserves</b>					
Called up share capital	12		681		681
Capital redemption reserve			1,844		1,844
Profit and loss reserves			947,985		907,859
<b>Total equity</b>			<u>950,510</u>		<u>910,384</u>

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

For the financial year ended 31 October 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has 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.

# **WILLIAM JOHNSTON & COMPANY LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 OCTOBER 2020**

---

The financial statements were approved by the board of directors and authorised for issue on 12 March 2021 and are signed on its behalf by:

Mr A C McEwen  
**Director**

Mrs S D Patrick  
**Director**

**Company Registration No. SC045228**

# **WILLIAM JOHNSTON & COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 OCTOBER 2020**

---

#### **1 Accounting policies**

##### **Company information**

William Johnston & Company Limited is a private company limited by shares incorporated in Scotland. The registered office is 9 Spiersbridge Terrace, Thornliebank Industrial Estate, Glasgow, Strathclyde, Scotland, G46 8JH. The company's registration number is SC045228.

##### **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 and presentational 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.

##### **1.2 Turnover**

The turnover shown in the profit and loss account represents the value of all goods sold during the year, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

##### **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.

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:

Improvements to property	15-33% on cost
Plant and machinery	15% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost

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 the profit and loss account.

##### **1.4 Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost represents purchase price.

##### **1.5 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.

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.

# WILLIAM JOHNSTON & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2020

---

#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

##### **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.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, 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 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. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.6 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.

# WILLIAM JOHNSTON & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

### 1 Accounting policies

(Continued)

#### 1.7 Retirement benefits

The company operates defined contribution pension schemes and a small self administered scheme for executives. The assets of the schemes are held separately from those of the company, with the defined contribution schemes independently administered.

Pension contributions payable for the year are charged to the profit and loss account.

#### 1.8 Leases

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the profit and loss account on a straight line basis.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

#### 1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Employees

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

	2020	2019
Total	32	32
	<u>      </u>	<u>      </u>

# WILLIAM JOHNSTON & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

### 3 Tangible fixed assets

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 November 2019	28,795	233,218	157,025	23,520	442,558
Additions	-	-	51,290	-	51,290
At 31 October 2020	28,795	233,218	208,315	23,520	493,848
<b>Depreciation and impairment</b>					
At 1 November 2019	20,135	205,387	120,642	14,647	360,811
Depreciation charged in the year	8,660	7,328	16,335	3,074	35,397
At 31 October 2020	28,795	212,715	136,977	17,721	396,208
<b>Carrying amount</b>					
At 31 October 2020	-	20,503	71,338	5,799	97,640
At 31 October 2019	8,660	27,831	36,383	8,873	81,747

Included within the net book value is £15,407 (2019 - £43,275) relating to assets held under hire purchase and finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £6,508 (2019 - £12,332).

### 4 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	772,207	861,811
Amounts owed by group undertakings	-	12
Other debtors	3,629	5,122
	775,836	866,945

### 5 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	-	72,330
Trade creditors	401,286	315,031
Taxation and social security	242,611	277,086
Other creditors	124,278	94,853
	768,175	759,300

# WILLIAM JOHNSTON & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

### 6 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other creditors	18,410	11,385

### 7 Hire purchase and finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under hire purchase and finance leases:		
Within one year	8,551	12,729
In two to five years	2,834	11,385
	11,385	24,114

### 8 Secured debts

	2020 £	2019 £
Bank overdrafts	-	72,330
Hire purchase contracts and finance leases	11,385	24,114
	11,385	96,444
Payable within one year	8,551	85,059
Payable after one year	2,834	11,385

Bank borrowings are secured by way of a floating charge over the whole assets of the company.

Hire purchase and finance lease creditors are secured over the individual assets to which they relate.

### 9 Operating lease commitments

#### Lessee

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

	2020 £	2019 £
	140,188	204,337

# WILLIAM JOHNSTON & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

### 10 Provisions for liabilities

		2020 £	2019 £
Deferred tax liabilities	11	8,949	4,498
		<u>8,949</u>	<u>4,498</u>

### 11 Deferred taxation

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

	Liabilities 2020 £	Liabilities 2019 £
<b>Balances:</b>		
Accelerated capital allowances	8,949	4,498
	<u>8,949</u>	<u>4,498</u>
<b>Movements in the year:</b>		2020 £
Liability at 1 November 2019		4,498
Charge to profit or loss		4,451
		<u>8,949</u>
Liability at 31 October 2020		<u>8,949</u>

### 12 Called up share capital

	2020 £	2019 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
68,124 Ordinary shares of 1p each	681	681
	<u>681</u>	<u>681</u>

## **WILLIAM JOHNSTON & COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 OCTOBER 2020**

---

##### **13 Related party transactions**

Included within other creditors at the balance sheet date are amounts totalling £18,985 (2019 - £4,424) due to the directors. These loans are unsecured, interest free and with no fixed terms of repayment in place.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

No other transactions with related parties were undertaken such as are required to be disclosed under the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

##### **14 Ultimate controlling party**

The company is under the control of the shareholders of the ultimate parent company, William Johnston & Company (UK) Limited. No individual shareholder has a controlling interest.

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.