

REGISTERED NUMBER: SC045228 (Scotland)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

FOR

WILLIAM JOHNSTON & COMPANY LIMITED

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FOR THE YEAR ENDED 31 OCTOBER 2018

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WILLIAM JOHNSTON & COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2018**

DIRECTORS:

R A McEwen
F McEwen
A C McEwen
R Dawson
C J Edwards
S D McGregor
W Hardie

SECRETARY:

F McEwen

REGISTERED OFFICE:

9 Spiersbridge Terrace
Thornliebank Industrial Estate
Glasgow
Strathclyde
G46 8JH

REGISTERED NUMBER:

SC045228 (Scotland)

ACCOUNTANTS:

Consilium Chartered Accountants
169 West George Street
Glasgow
G2 2LB

BALANCE SHEET
31 OCTOBER 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		105,877		68,151
CURRENT ASSETS					
Stocks		362,920		251,663	
Debtors	5	928,524		893,753	
Cash at bank and in hand		<u>172,271</u>		<u>289,510</u>	
		1,463,715		1,434,926	
CREDITORS					
Amounts falling due within one year	6	<u>832,572</u>		<u>921,567</u>	
NET CURRENT ASSETS			<u>631,143</u>		<u>513,359</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>737,020</u>		<u>581,510</u>
CREDITORS					
Amounts falling due after more than one year	7		(10,579)		(24,900)
PROVISIONS FOR LIABILITIES	10		<u>(7,076)</u>		-
NET ASSETS			<u>719,365</u>		<u>556,610</u>
CAPITAL AND RESERVES					
Called up share capital	11		681		681
Capital redemption reserve			1,844		1,844
Retained earnings			<u>716,840</u>		<u>554,085</u>
SHAREHOLDERS' FUNDS			<u>719,365</u>		<u>556,610</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2018.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 October 2018 in accordance with Section 475 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and
- (b) which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

BALANCE SHEET - continued
31 OCTOBER 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 27 March 2019 and were signed on its behalf by:

A C McEwen - Director

S D McGregor - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

1. **STATUTORY INFORMATION**

William Johnston & Company Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

The turnover shown in the Income Statement 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

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

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

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.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their market 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 charge to the Income Statement on a straight line basis.

Pension costs and other post-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 Income Statement.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 35 (2017 - 33) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

4. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 November 2017	2,815	224,349	116,864	56,777	400,805
Additions	25,980	8,869	26,925	12,295	74,069
Disposals	-	-	-	(22,000)	(22,000)
At 31 October 2018	<u>28,795</u>	<u>233,218</u>	<u>143,789</u>	<u>47,072</u>	<u>452,874</u>
DEPRECIATION					
At 1 November 2017	2,815	190,699	101,114	38,026	332,654
Charge for year	8,660	7,344	9,252	11,087	36,343
Eliminated on disposal	-	-	-	(22,000)	(22,000)
At 31 October 2018	<u>11,475</u>	<u>198,043</u>	<u>110,366</u>	<u>27,113</u>	<u>346,997</u>
NET BOOK VALUE					
At 31 October 2018	<u>17,320</u>	<u>35,175</u>	<u>33,423</u>	<u>19,959</u>	<u>105,877</u>
At 31 October 2017	<u>-</u>	<u>33,650</u>	<u>15,750</u>	<u>18,751</u>	<u>68,151</u>

Included within the net book value is £58,042 (2017 - £55,136) 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 £17,621 (2017 - £18,000).

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	924,057	890,571
Other debtors	4,467	3,182
	<u>928,524</u>	<u>893,753</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	150,545	269,381
Hire purchase contracts and finance leases (see note 8)	33,514	20,704
Trade creditors	349,611	356,584
Taxation and social security	237,348	231,970
Other creditors	61,554	42,928
	<u>832,572</u>	<u>921,567</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Hire purchase contracts and finance leases (see note 8)	<u>10,579</u>	<u>24,900</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts		Finance leases	
	2018	2017	2018	2017
	£	£	£	£
Net obligations repayable:				
Within one year	19,546	19,560	13,968	1,144
Between one and five years	10,007	20,895	572	4,005
	<u>29,553</u>	<u>40,455</u>	<u>14,540</u>	<u>5,149</u>
			Non-cancellable operating leases	
			2018	2017
			£	£
Within one year			26,158	63,612
Between one and five years			33,450	59,411
			<u>59,608</u>	<u>123,023</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank overdrafts	150,545	269,381
Hire purchase contracts and finance leases	44,093	45,604
	<u>194,638</u>	<u>314,985</u>

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

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

10. PROVISIONS FOR LIABILITIES

	2018	2017
	£	£
Deferred tax	<u>7,076</u>	<u>-</u>
		Deferred tax
		£
Charge to Income Statement during year		7,076
Balance at 31 October 2018		<u>7,076</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
68,124	Ordinary	£0.01	<u>581</u>	<u>681</u>

12. RELATED PARTY DISCLOSURES

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.

The following transactions with related parties took place during the year:

	2018 £	2017 £
Amounts owed to directors	<u>4,147</u>	<u>565</u>

The above loans are unsecured, interest free and with no fixed terms of repayment in place.

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".

13. 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.