

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED**

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

Milne Craig
Chartered Accountants
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

	Page
Company Information	1
Balance Sheet	2 to 3
Notes to the Financial Statements	4 to 10

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2023**

DIRECTOR: Graeme MacDonald

REGISTERED OFFICE: 176 Woodville Street
Ibrox
Glasgow
G51 2RN

REGISTERED NUMBER: SC046742 (Scotland)

ACCOUNTANTS: Milne Craig
Chartered Accountants
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**BALANCE SHEET
31 MAY 2023**

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	5		65,109		45,152
Investment property	6		455,000		455,000
			<u>520,109</u>		<u>500,152</u>
CURRENT ASSETS					
Stocks	7	22,205		17,119	
Debtors	8	325,289		252,993	
Investments	9	2,430,138		2,480,248	
Cash at bank and in hand		<u>848,849</u>		<u>809,465</u>	
		3,626,481		3,559,825	
CREDITORS					
Amounts falling due within one year	10	<u>630,370</u>		<u>588,247</u>	
NET CURRENT ASSETS			<u>2,996,111</u>		<u>2,971,578</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,516,220		3,471,730
CREDITORS					
Amounts falling due after more than one year	11		(21,474)		-
PROVISIONS FOR LIABILITIES	12		<u>(52,862)</u>		<u>(71,073)</u>
NET ASSETS			<u><u>3,441,884</u></u>		<u><u>3,400,657</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		10,000		10,000
Retained earnings			<u>3,431,884</u>		<u>3,390,657</u>
SHAREHOLDERS' FUNDS			<u><u>3,441,884</u></u>		<u><u>3,400,657</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2023 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**BALANCE SHEET - continued
31 MAY 2023**

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

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

The financial statements were approved by the director and authorised for issue on 31 January 2024 and were signed by:

Gracme MacDonald - Director

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

1. STATUTORY INFORMATION

Fraser & Macdonald (Electric Motors) Limited is a private company, limited by shares, registered in Scotland. The company's registered number is SC046742 and registered office address is 176 Woodville Street, Ibrox, Glasgow, G51 2RN.

The nature of the company's operations and its principal activities are that of the distribution and repair of electric motors.

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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 £.

Going concern

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

Critical accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the director has made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

3. ACCOUNTING POLICIES - continued

Turnover

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. Consideration is given to the point at which the Company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of services is recognised in the period in which the services are provided 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;
- the costs incurred can be measured reliably.

Tangible fixed assets

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

Buildings	- 2.5% on cost
Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and

ii. no depreciation is provided in respect of investment properties applying the fair value model.

If a reliable measure is not available without undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets in accordance with section 17 until a reliable measure of fair value becomes available.

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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transactions 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.

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

3. ACCOUNTING POLICIES - continued

Financial instruments (continued)

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.

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Hire purchase and leasing commitments

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**FRASER & MACDONALD
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

3. ACCOUNTING POLICIES - continued

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 8 (2022 - 8) .

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

5. TANGIBLE FIXED ASSETS

	Buildings £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 June 2022	16,255	78,961	16,347
Additions	-	-	-
At 31 May 2023	<u>16,255</u>	<u>78,961</u>	<u>16,347</u>
DEPRECIATION			
At 1 June 2022	12,186	49,449	15,790
Charge for year	406	2,951	56
At 31 May 2023	<u>12,592</u>	<u>52,400</u>	<u>15,846</u>
NET BOOK VALUE			
At 31 May 2023	<u>3,663</u>	<u>26,561</u>	<u>501</u>
At 31 May 2022	<u>4,069</u>	<u>29,512</u>	<u>557</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 June 2022	43,301	23,902	178,766
Additions	28,995	680	29,675
At 31 May 2023	<u>72,296</u>	<u>24,582</u>	<u>208,441</u>
DEPRECIATION			
At 1 June 2022	35,523	20,666	133,614
Charge for year	3,756	2,549	9,718
At 31 May 2023	<u>39,279</u>	<u>23,215</u>	<u>143,332</u>
NET BOOK VALUE			
At 31 May 2023	<u>33,017</u>	<u>1,367</u>	<u>65,109</u>
At 31 May 2022	<u>7,778</u>	<u>3,236</u>	<u>45,152</u>

The net book value of tangible fixed assets includes £ 27,183 in respect of assets held under hire purchase contracts.

**FRASER & MACDONALD
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 June 2022	
and 31 May 2023	<u>455,000</u>
NET BOOK VALUE	
At 31 May 2023	<u>455,000</u>
At 31 May 2022	<u>455,000</u>

Fair value at 31 May 2023 is represented by:

	£
Cost	<u>455,000</u>

The historical cost of the investment property was £214,115.

7. STOCKS

	2023 £	2022 £
Stocks	<u>22,205</u>	<u>17,119</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	315,599	252,993
Other debtors	<u>9,690</u>	<u>-</u>
	<u>325,289</u>	<u>252,993</u>

9. CURRENT ASSET INVESTMENTS

	2023 £	2022 £
Listed investments	<u>2,430,138</u>	<u>2,480,248</u>
Market value of listed investments at 31 May 2023 - £ 2,430,138 (2022 - £ 2,480,248).		

**FRASER & MACDONALD
(ELECTRIC MOTORS) LIMITED (REGISTERED NUMBER: SC046742)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Hire purchase contracts	5,602	-
Trade creditors	122,029	148,003
Tax	39,604	43,676
Social security and other taxes	5,786	5,978
VAT	30,831	31,025
Other creditors	23,390	20,357
Director's current account	403,128	339,208
	<u>630,370</u>	<u>588,247</u>

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

	2023	2022
	£	£
Hire purchase contracts	<u>21,474</u>	<u>-</u>

12. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>52,862</u>	<u>71,073</u>
		Deferred tax
		£
Balance at 1 June 2022		71,073
Credit to Statement of Income and Retained Earnings during year		<u>(18,211)</u>
Balance at 31 May 2023		<u>52,862</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2023	2022
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

14. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

During the year, the company received net advances totalling £63,920 from Mr G A MacDonald, director. At the year end date, the company owes £403,128 (2022: £339,208) to Mr G A MacDonald.

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Graeme MacDonald.

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.