

Financial Statements

Fife Group Limited (Previously Fife Group (Scotland) Limited)

For the year ended 30 June 2015

Amended

- Replace the original accounts
- Are now the statutory accounts
- Are prepared as they were at the date of the original accounts

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COMPANIES HOUSE

Registered number: SC051089

Company Information

Directors	J G Russell K S Kelly J S Kilgour G E Donald B R Munro J I Russell
Company secretary	G E Donald
Registered number	SC051089
Registered office	Unit 1 Waverley Road Mitchelston Industrial Estate Kirkcaldy Fife KY1 3NH
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 7 Exchange Crescent Conference Square Edinburgh EH3 8AN
Bankers	The Royal Bank of Scotland plc 3 Falkland Gate Kingdom Centre Glenrothes KY7 5NS
Solicitors	Gibson & Spears, Dow & Son 9 East Fergus Place Kirkcaldy KY1 1XU

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Directors' Report

For the year ended 30 June 2015

The directors present their report and the audited financial statements for the year ended 30 June 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 judgments 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.

Directors

The directors who served during the year and up until the date of signing were:

J G Russell
K S Kelly
J S Kilgour
G E Donald
B R Munro
J I Russell

Name Change

On 21 January 2015 the company changed its name from Fife Group (Scotland) Limited to Fife Group Limited.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Fife Group Limited

Directors' Report

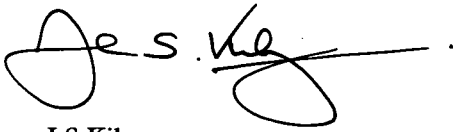
For the year ended 30 June 2015

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 November 2015 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'J S Kilgour', with a large, stylized flourish extending from the end.

J S Kilgour
Director

Independent Auditor's Report to the Members of Fife Group Limited

We have audited the financial statements of Fife Group Limited for the year ended 30 June 2015, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of Fife Group Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report.



DIANA PENNY (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Edinburgh

23 November 2015

Profit and Loss Account

For the year ended 30 June 2015

	Note	2015 £	2014 £
Turnover	1	2,962,246	2,817,562
Cost of sales		<u>(1,892,441)</u>	<u>(1,802,865)</u>
Gross profit		1,069,805	1,014,697
Administrative expenses		(638,792)	(578,630)
Other operating income	2	<u>260,622</u>	<u>275,067</u>
Operating profit	3	691,635	711,134
Exceptional items			
Other exceptional items	6	<u>127,544</u>	<u>-</u>
Profit on ordinary activities before interest		819,179	711,134
Interest receivable and similar income		3,726	274
Interest payable and similar charges		<u>(33,346)</u>	<u>(85,055)</u>
Profit on ordinary activities before taxation		789,559	626,353
Tax on profit on ordinary activities	7	<u>(191,197)</u>	<u>(164,850)</u>
Profit for the financial year	15	<u><u>598,362</u></u>	<u><u>461,503</u></u>

The notes on pages 7 to 16 form part of these financial statements.

All amounts relate to continuing operations.

There were no recognised gains and losses other than those included in the Profit and loss.

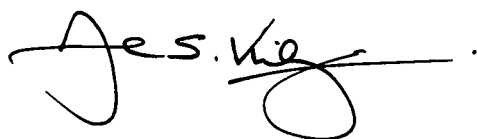
Balance Sheet

As at 30 June 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	8		6,376,726		6,499,863
Investments	9		42,680		42,680
			<u>6,419,406</u>		<u>6,542,543</u>
Current assets					
Debtors	10	969,613		1,144,202	
Cash at bank and in hand		303,016		412,266	
		<u>1,272,629</u>		<u>1,556,468</u>	
Creditors: amounts falling due within one year	11	(1,615,433)		(1,421,069)	
Net current (liabilities)/ assets			<u>(342,804)</u>		<u>135,399</u>
Total assets less current liabilities			<u>6,076,602</u>		<u>6,677,942</u>
Creditors: amounts falling due after more than one year	12		(2,418,834)		(3,372,870)
Provisions for liabilities					
Deferred tax	13		(25,692)		(25,427)
Net assets			<u><u>3,632,076</u></u>		<u><u>3,279,645</u></u>
Capital and reserves					
Called up share capital	14		167,680		167,680
Profit and loss account	15		3,464,396		3,111,965
Shareholders' funds			<u><u>3,632,076</u></u>		<u><u>3,279,645</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22/11/15



J S Kilgour
Director

The notes on pages 7 to 16 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

The directors have assessed, based upon current projections, that the company has adequate resources to meet the ongoing costs of the business for the foreseeable future. For this reason the financial statements have been prepared on a going concern basis which presumes the realisation of assets and liabilities in the normal course of business.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year exclusive of Value Added Tax. Income from storage and self store is recognised on a time basis. Income from handling and removals is recognised as the service is delivered.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% Straight Line
Plant & machinery	-	10% - 25% Straight Line

1.5 Investments

Investments are included at cost, adjusted for any impairment in value. Profits or losses arising from disposals of fixed asset investments are treated as part of the result of ordinary activities.

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Notes to the Financial Statements

For the year ended 30 June 2015

1. Accounting Policies (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the Financial Statements

For the year ended 30 June 2015

2. Other operating income

	2015	2014
	£	£
Rent receivable	260,622	275,067

3. Operating profit

The operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	169,713	185,506
- held under finance leases	7,673	7,673
Auditor's remuneration	7,320	7,135
Pension costs	56,843	58,526
Gain on disposal of fixed assets	(1,400)	(1,319)

4. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2015	2014
	£	£
Wages and salaries	757,968	683,016
Social security costs	155,739	131,680
Other pension costs	56,843	58,526
	970,550	873,222

The average monthly number of employees, including the directors, during the year was as follows:

	2015	2014
	No.	No.
	29	28

5. Directors' remuneration

	2015	2014
	£	£
Aggregate remuneration	326,063	296,518

During the year retirement benefits were accruing to 3 directors (2014 - 3) in respect of defined contribution pension schemes.

Notes to the Financial Statements

For the year ended 30 June 2015

6. Exceptional items

	2015	2014
	£	£
Exceptional item - RBS Loan compensation received	127,544	-

The company received compensation of £127,544 in respect of an interest rate hedging product sold to Fife Group Limited that did not comply with FCA standards.

7. Taxation

	2015	2014
	£	£
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	189,532	175,961
Adjustments in respect of prior periods	1,400	-
Total current tax	190,932	175,961
Deferred tax		
Origination and reversal of timing differences	296	(11,111)
Adjustment in respect of previous periods	(31)	-
Total deferred tax (see note 13)	265	(11,111)
Tax on profit on ordinary activities	191,197	164,850

Notes to the Financial Statements

For the year ended 30 June 2015

8. Tangible fixed assets

	Freehold property £	Plant & machinery £	Total £
Cost			
At 1 July 2014	7,096,702	1,930,076	9,026,778
Additions	-	54,249	54,249
Disposals	-	(1,400)	(1,400)
At 30 June 2015	7,096,702	1,982,925	9,079,627
Depreciation			
At 1 July 2014	824,738	1,702,177	2,526,915
Charge for the year	124,420	52,966	177,386
On disposals	-	(1,400)	(1,400)
At 30 June 2015	949,158	1,753,743	2,702,901
Net book value			
At 30 June 2015	6,147,544	229,182	6,376,726
At 30 June 2014	6,271,964	227,899	6,499,863

The net book value of assets held under finance leases, included above, is £28,133.

Notes to the Financial Statements

For the year ended 30 June 2015

9. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2014 and 30 June 2015	42,680
Net book value	
At 30 June 2015	42,680
At 30 June 2014	42,680

Subsidiary undertakings

At 30 June 2015 the company held more than 20% of the allotted share capital of the following:

Name	Class of shares	Holding
Fife Training Services Limited	Ordinary	100%
Fife Warehousing Company Limited	Ordinary	50%
Alloa Warehousing Company Limited	Ordinary	100%

All of the companies noted above are registered within Scotland.

Notes to the Financial Statements

For the year ended 30 June 2015

10. Debtors

	2015	2014
	£	£
Trade debtors	528,226	618,865
Amounts owed by group undertakings	22,078	246,181
Other debtors	419,309	279,156
	<u>969,613</u>	<u>1,144,202</u>

The debtors above include the following amounts falling due after more than one year:

	2015	2014
	£	£
Amounts owed by group undertakings	-	220,000

11. Creditors:

Amounts falling due within one year

	2015	2014
	£	£
Bank loans and overdrafts	120,556	322,150
Net obligations under finance leases and hire purchase contracts	8,354	8,924
Trade creditors	708,866	453,042
Amounts owed to related parties	200,000	-
Corporation tax	108,533	176,073
Other taxation and social security	122,004	151,470
Other creditors	347,120	309,410
	<u>1,615,433</u>	<u>1,421,069</u>

The bank loans are secured by a standard security over business premises at Pitreavie Business Park, Dunfermline and land and buildings at Dysart, Fife. There is also a bond and floating charge over all monies. The loan is repayable in monthly installments and interest is payable at 2.25% above LIBOR. A proportion of the loan interest is fixed by a base rate swap agreement on which interest is payable at base rate plus 1.19%.

Fife Group Limited received a loan from a related party, KKR Limited, during the year. This amount is repayable upon demand and is therefore classed as due within one year.

Notes to the Financial Statements

For the year ended 30 June 2015

12. Creditors:

Amounts falling due after more than one year

	2015	2014
	£	£
Bank loans	790,825	1,736,507
Net obligations under finance leases and hire purchase contracts	-	8,354
Amounts owed to group undertakings	1,628,009	1,628,009
	<u>2,418,834</u>	<u>3,372,870</u>

£1,609,479 of the amount owed to group undertakings has arisen from the transfer of assets of Alloa Warehousing Company Limited to the company. Also included above is £10,000 owed to group undertakings, which has arisen from the transfer of trade and assets of Fife Training Services Limited (formerly Fife Self Storage Limited) to the company in prior years. The remaining amounts have arisen as a result of normal trading between the company and Alloa Warehousing Company Limited and KKR Limited. All amounts are interest free and are not repayable within 12 months.

Obligations under finance lease and hire purchase contracts, included above are payable as follows:

	2015	2014
	£	£
Between one and two years	-	8,354
	<u>-</u>	<u>8,354</u>

13. Deferred taxation

	2015	2014
	£	£
At beginning of year	25,427	36,538
Charge for/(released during) year (P&L)	265	(11,111)
At end of year	<u>25,692</u>	<u>25,427</u>

The provision for deferred taxation is made up as follows:

	2015	2014
	£	£
Accelerated capital allowances	25,692	25,427
	<u>25,692</u>	<u>25,427</u>

14. Share capital

	2015	2014
	£	£
Allotted, called up and fully paid		
167,680 Ordinary shares of £1 each	<u>167,680</u>	<u>167,680</u>

Notes to the Financial Statements

For the year ended 30 June 2015

15. Reserves

	Profit and loss account £
At 1 July 2014	3,111,965
Profit for the financial year	598,362
Dividends: Equity capital	(245,931)
	<hr/>
At 30 June 2015	<u>3,464,396</u>

16. Dividends

	2015 £	2014 £
Dividends paid on equity capital	<u>245,931</u>	<u>212,953</u>

17. Contingent liabilities

The company has jointly guaranteed the bank loan held by the company by providing security over certain of its property, a bond and floating charge over its assets and a £400,000 overdraft facility. Fife Group Limited, KKR Limited and Alloa Warehousing Company Limited are companies under common control of the directors and shareholders. The amount of loan outstanding as at 30 June 2015 was £911,437 (2014: £2,058,643).

18. Capital commitments

The company had no capital commitments at 30 June 2015 or 30 June 2014

19. Pension commitments

The company operates a defined contribution pension scheme for the benefit of certain directors and employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The pension cost charge for the year was £56,843 (2014: £58,526).

Notes to the Financial Statements

For the year ended 30 June 2015

20. Operating lease commitments

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	10,400	10,400

21. Related party transactions

Fife Group Limited has 100% holding in subsidiary Alloa Warehousing Company Limited. At 30 June 2015, Alloa Warehousing Company Limited has a loan of £NIL (2014: £220,000) from Fife Group Limited. Interest outstanding was charged at base rate plus 0.25%. £220,000 capital repayments were made during the year (2014: £40,000). At the 30 June 2015, Fife Group Limited also had a loan from Alloa Warehousing Company Limited of £1,609,479 (2014: £1,609,479). This was as a result of the transfer of the Dunfermline property from Alloa Warehousing Company Limited to Fife Group Limited on the 8th November 2011.

Fife Group Limited invoiced Alloa Warehousing Company Limited for £19,312 (2014: £36,631). An amount of £4,364 (2014: £4,364) was due from Alloa Warehousing Company Limited at year end.

The company sold goods and services of £31,102 (2014: £29,444) to KKR Limited during the year to 30 June 2015. An amount of £nil (2014: £17,821) is due from KKR Limited at the year end. In addition, Fife Group Limited were invoiced by KKR Limited for rental units to KKR Limited. Payment amounted to £85,300 (2014: £73,915) of which £8,530 (2014: £8,530) is due at year end.

Fife Group Limited were invoiced by Locrum Limited, who are related by a common director, for rental units. Payment amounted to £56,250 (2014: £56,250) of which £6,250 (2014: £6,250) is due at year end.

At 30 June 2015, Fife Group Limited also had a loan of £10,000 (2014: £10,000) from Fife Training Services Limited, a 100% subsidiary of the company.