

DONALD MACKENZIE LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2015

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DONALD MACKENZIE LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 January 2015**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3 to 4
Report of the Independent Auditors	5 to 6
Profit and Loss Account	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 18

DONALD MACKENZIE LIMITED

COMPANY INFORMATION
for the year ended 31 January 2015

DIRECTORS:

D G MacKenzie
Mrs C Y MacKenzie
J Forbes
J Macaulay
J Beaton
D Mackenzie
R Mackenzie

SECRETARY:

Mrs C Y MacKenzie

REGISTERED OFFICE:

62 Seafiled Road
Inverness
IV1 1SG

REGISTERED NUMBER:

SC058445 (Scotland)

AUDITORS:

MacKenzie Kerr Limited
Chartered Accountants
Redwood
19 Culduthel Road
Inverness
IV2 4AA

BANKERS:

Royal Bank of Scotland plc
Inverness Chief Office
29 Harbour Road
Inverness
IV1 1NU

SOLICITORS:

MacAndrew & Jenkins WS
5 Drummond Street
Inverness
IV1 1QF

DONALD MACKENZIE LIMITED

**STRATEGIC REPORT
for the year ended 31 January 2015**

The directors present their strategic report for the year ended 31 January 2015.

REVIEW OF BUSINESS

Turnover for the year at £10,443,240 was up 4.5% on last year, with the resulting increase in profit of £87,225. At the end of the year, the equity shareholders funds have risen from £4,679,937 to £4,828,457.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

Results

The profit for the year before taxation amounted to £210,417 (2014 - £62,421).

PRINCIPAL RISKS AND UNCERTAINTIES

The company's financial instruments comprise cash instruments only. The main purpose of the financial instruments is to maintain adequate finance for the company's operations.

The main risk arising from the company's financial instruments are interest rate fluctuations. It is the company's policy to finance its operations through its cash reserves and to review this periodically with regard to the projected cash flow requirements of the company.

ON BEHALF OF THE BOARD:



D G MacKenzie - Director

21 October 2015

DONALD MACKENZIE LIMITED

REPORT OF THE DIRECTORS for the year ended 31 January 2015

The directors present their report with the financial statements of the company for the year ended 31 January 2015.

DIVIDENDS

A dividend of £5.88 per share was distributed during the year to 31 January 2015.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2014 to the date of this report.

D G MacKenzie
Mrs C Y MacKenzie
J Forbes
J Macaulay
J Beaton

Other changes in directors holding office are as follows:

D Mackenzie - appointed 15 December 2014
R Mackenzie - appointed 15 December 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DONALD MACKENZIE LIMITED

**REPORT OF THE DIRECTORS
for the year ended 31 January 2015**

AUDITORS

The auditors, MacKenzie Kerr Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



D G MacKenzie - Director

21 October 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DONALD MACKENZIE LIMITED

We have audited the financial statements of Donald Mackenzie Limited for the year ended 31 January 2015 on pages seven to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Qualified opinion arising from disagreement about accounting treatment

As discussed in note 1, included in the fixed assets shown on the balance sheet is an amount of £901,409 which relates to long leasehold property. Depreciation has not been provided for on the property, as required by Financial Reporting Standard 15 (FRS 15). The directors have chosen not to comply with FRS 15 on the grounds that the value of the property is in excess of the cost shown in the accounts. In our opinion a provision of £9,014 should have been made this year, reducing the profit before tax and net assets by that amount over the year and resulting in a property net book value of £640,467 (2014 - £649,481) when added to depreciation that should have been accounted for in previous years.

No impairment review has been carried out by the company in accordance with FRS 15 following the non depreciation of long leasehold property. In our opinion, an impairment review should have been carried out on the leasehold property held by the company.

Qualified opinion arising from limitation in audit scope

With respect to retirement benefits, the evidence available to us was limited because the directors have not obtained a valuation sufficient to comply with the disclosure requirements of Financial Reporting Standard 17. There were no other satisfactory audit procedures that we could adopt to obtain this information.

Except for the financial effects of not making the adjustments referred to above, or such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the defined benefit pension scheme surplus or deficit, in our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2015 and of its profit for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DONALD MACKENZIE LIMITED**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

The qualifications made in this report are not material for determining whether a distribution would contravene the Companies Act provisions.



John Fraser, MA, CA (Senior Statutory Auditor)
for and on behalf of MacKenzie Kerr Limited
Chartered Accountants
Redwood
19 Culduthel Road
Inverness
IV2 4AA

21 October 2015

DONALD MACKENZIE LIMITED**PROFIT AND LOSS ACCOUNT**
for the year ended 31 January 2015

	Notes	2015 £	2014 £
TURNOVER	2	10,443,240	9,992,091
Cost of sales		9,186,253	8,912,409
GROSS PROFIT		1,256,987	1,079,682
Distribution costs		522,226	543,001
Administrative expenses		653,307	707,748
		1,175,533	1,250,749
		81,454	(171,067)
Other operating income		97,385	154,843
OPERATING PROFIT/(LOSS)	4	178,839	(16,224)
Income from fixed asset investments		13,428	13,384
Interest receivable and similar income		25,009	12,587
		38,437	25,971
		217,276	9,747
Investment write off	5	2,032	(59,702)
		215,244	69,449
Interest payable and similar charges	6	4,827	7,028
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		210,417	62,421
Tax on profit on ordinary activities	7	41,897	(18,874)
PROFIT FOR THE FINANCIAL YEAR		168,520	81,295

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

BALANCE SHEET
31 January 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	9	957,768	963,770
Investments	10	890,813	634,475
		<u>1,848,581</u>	<u>1,598,245</u>
CURRENT ASSETS			
Stocks	11	1,695,418	1,517,374
Debtors	12	627,462	554,116
Cash at bank and in hand		1,504,962	1,919,427
		<u>3,827,842</u>	<u>3,990,917</u>
CREDITORS			
Amounts falling due within one year	13	811,564	873,146
NET CURRENT ASSETS		<u>3,016,278</u>	<u>3,117,771</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,864,859</u>	<u>4,716,016</u>
PROVISIONS FOR LIABILITIES	15	36,402	36,079
NET ASSETS		<u><u>4,828,457</u></u>	<u><u>4,679,937</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	3,400	3,400
Share premium	17	37,400	37,400
Capital redemption reserve	17	19,200	19,200
Profit and loss account	17	4,768,457	4,619,937
SHAREHOLDERS' FUNDS	20	<u><u>4,828,457</u></u>	<u><u>4,679,937</u></u>

The financial statements were approved by the Board of Directors on 21 October 2015 and were signed on its behalf by:



D G MacKenzie - Director

DONALD MACKENZIE LIMITED**CASH FLOW STATEMENT
for the year ended 31 January 2015**

		2015 £	2014 £
	Notes		
Net cash outflow from operating activities	1	(171,707)	(16,311)
Returns on investments and servicing of finance	2	33,610	18,943
Taxation		16,784	(49,029)
Capital expenditure and financial investment	2	(279,683)	412,307
Equity dividends paid		(20,000)	(20,000)
		(420,996)	345,910
Financing	2	6,531	15,357
(Decrease)/increase in cash in the period		(414,465)	361,267
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/increase in cash in the period		(414,465)	361,267
Change in net funds resulting from cash flows		(414,465)	361,267
Movement in net funds in the period		(414,465)	361,267
Net funds at 1 February		1,919,427	1,558,160
Net funds at 31 January		1,504,962	1,919,427

The notes form part of these financial statements

DONALD MACKENZIE LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 January 2015

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit/(loss)	178,839	(16,224)
Depreciation charges	21,442	23,128
Loss/(profit) on disposal of fixed assets	5,874	(122,022)
(Increase)/decrease in stocks	(178,044)	129,728
(Increase)/decrease in debtors	(90,130)	144,585
Decrease in creditors	(109,688)	(175,506)
Net cash outflow from operating activities	(171,707)	(16,311)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	25,009	12,587
Interest paid	(4,827)	(7,028)
Dividends received	13,428	13,384
Net cash inflow for returns on investments and servicing of finance	33,610	18,943
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(15,440)	(8,658)
Purchase of fixed asset investments	(473,550)	(187,376)
Sale of fixed asset investments	213,521	600,930
Increase/Decrease in cash held by broker	(4,214)	7,411
Net cash (outflow)/inflow for capital expenditure and financial investment	(279,683)	412,307
Financing		
Amount introduced by directors	6,531	15,357
Net cash inflow from financing	6,531	15,357

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/2/14 £	Cash flow £	At 31/1/15 £
Net cash:			
Cash at bank and in hand	1,919,427	(414,465)	1,504,962
	<u>1,919,427</u>	<u>(414,465)</u>	<u>1,504,962</u>
Total	<u>1,919,427</u>	<u>(414,465)</u>	<u>1,504,962</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers during the year.

Tangible fixed assets

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Plant and machinery	-	Over 4 to 10 years
Office equipment	-	Over 4 to 10 years

No depreciation is provided for on leasehold property, which represents a departure from Financial Reporting Standard 15 and the Companies Act 2006.

Stocks

Stocks are valued at the lower of cost and net realisable value. Consignment stock is also held by the company on its premises but is not included in the accounts because title is held by the manufacturer.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

Deferred tax assets and liabilities are not discounted.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a funded defined benefit pension scheme providing benefits based on final pensionable pay. The company closed this defined benefit scheme to future member contributions on 30 June 2008. The assets of the scheme are held separately from those of the company, being invested in units in a segregated fund managed by an external investment manager. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations. The most recent valuation was made as at 31 August 2012. The only contributions in future will be by the company to finance the past service deficit. The directors have not obtained a valuation sufficient to comply with the disclosure requirements of Financial Reporting Standard 17.

The valuation was made using the defined accrued benefit method. The principal assumptions used were:

- (i) a future inflation rate of 2.1% p.a.
- (ii) deferred pension increases of 2.1%.
- (iii) pension increases in payment of 0% to 2.6%
- (iv) a rate used to discount scheme liabilities before retirement of 3.5%.
- (v) a rate used to discount scheme liabilities after retirement of 2.5%.

The market value of the assets of the scheme at the valuation date was £1,882,773 with a past service deficit of £694,000.

From April 2008, the company operated a defined contribution pension scheme.

The pension charge for the year was £67,745 (2014 - £79,423). Contributions outstanding at the balance sheet date amounted to £6,757 (2014 - £6,585).

Contributions in respect of three directors are made to a defined contribution scheme and are charged to the profit and loss account for the year in which they are payable to the scheme. The pension charge for the year was £9,122 (2014 - £9,061).

Fixed asset investments

Fixed asset investments are stated at cost less amounts written off investments at the balance sheet date.

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activities of retailing, repairing and servicing motor vehicles. The company operates in the UK and the whole of its turnover is to the UK market.

3. STAFF COSTS

	2015 £	2014 £
Wages and salaries	1,233,615	1,209,779
Social security costs	111,581	112,042
Other pension costs	67,745	79,423
	<u>1,412,941</u>	<u>1,401,244</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

3. STAFF COSTS - continued

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

	2015	2014
Administration	14	14
Sales	15	15
Service	23	24
	<u>52</u>	<u>53</u>

4. OPERATING PROFIT/(LOSS)

The operating profit (2014 - operating loss) is stated after charging/(crediting):

	2015 £	2014 £
Other operating leases	-	(550)
Depreciation - owned assets	21,442	23,128
Loss/(profit) on disposal of fixed assets	5,874	(122,022)
Auditors' remuneration	7,000	7,000
Auditors' remuneration for non audit work	200	500
	<u>171,788</u>	<u>193,572</u>
Directors' remuneration	9,122	9,061
Directors' pension contributions to money purchase schemes		

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	3	3
Defined benefit schemes	<u>5</u>	<u>5</u>

5. INVESTMENT WRITE OFF

	2015 £	2014 £
Investment write off (reversed)	<u>2,032</u>	<u>(59,702)</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank interest	<u>4,827</u>	<u>7,028</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

7. TAXATION**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	41,574	(16,784)
Deferred tax	323	(2,090)
Tax on profit on ordinary activities	<u>41,897</u>	<u>(18,874)</u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>210,417</u>	<u>62,421</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	42,083	12,484
Effects of:		
Expenses not deductible for tax purposes	(2,279)	(14,617)
Capital allowances in excess of depreciation	-	(22,291)
Depreciation in excess of capital allowances	1,735	-
Utilisation of tax losses	-	24,402
Adjustments to tax charge in respect of previous periods	-	(16,784)
Other differences	35	22
Current tax charge/(credit)	<u>41,574</u>	<u>(16,784)</u>

8. DIVIDENDS

	2015 £	2014 £
Ordinary shares of £1 each		
Final	<u>20,000</u>	<u>20,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

9. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Office equipment £	Totals £
COST				
At 1 February 2014	901,409	315,093	72,383	1,288,885
Additions	-	5,305	10,135	15,440
Disposals	-	-	(23,574)	(23,574)
At 31 January 2015	901,409	320,398	58,944	1,280,751
DEPRECIATION				
At 1 February 2014	-	261,343	63,772	325,115
Charge for year	-	16,223	5,219	21,442
Eliminated on disposal	-	-	(23,574)	(23,574)
At 31 January 2015	-	277,566	45,417	322,983
NET BOOK VALUE				
At 31 January 2015	901,409	42,832	13,527	957,768
At 31 January 2014	901,409	53,750	8,611	963,770

As explained in note 1, depreciation has not been provided for on leasehold property. If full provision had been made the depreciation charge would have been increased by £9,014.

10. FIXED ASSET INVESTMENTS

	2015 £	2014 £
Listed investments	885,432	633,309
Cash at brokers	5,381	1,166
	<u>890,813</u>	<u>634,475</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

10. FIXED ASSET INVESTMENTS - continued

Additional information is as follows:

	Listed investments £
COST	
At 1 February 2014	896,793
Additions	473,550
Disposals	(219,395)
At 31 January 2015	<u>1,150,948</u>
PROVISIONS	
At 1 February 2014	263,484
Provision for year	2,032
At 31 January 2015	<u>265,516</u>
NET BOOK VALUE	
At 31 January 2015	<u>885,432</u>
At 31 January 2014	<u>633,309</u>
	Cash at brokers £
At 1 February 2014	1,166
New in year	4,215
At 31 January 2015	<u>5,381</u>

The market value of investments included in the balance sheet at cost was £936,880 (2014 - £658,481).

11. STOCKS

	2015 £	2014 £
Stocks	<u>1,695,418</u>	<u>1,517,374</u>

12. DEBTORS

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	486,229	352,784
Other debtors	23,338	31,128
Tax	-	16,784
Prepayments	41,895	42,420
	<u>551,462</u>	<u>443,116</u>

DONALD MACKENZIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

12. DEBTORS - continued

	2015 £	2014 £
Amounts falling due after more than one year:		
Other debtors	<u>76,000</u>	<u>111,000</u>
Aggregate amounts	<u>627,462</u>	<u>554,116</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	447,012	548,971
Tax	41,574	-
Social security and other taxes	35,954	37,496
VAT	121,442	109,117
Other creditors	14,265	27,414
Directors' current accounts	127,262	120,731
Accrued expenses	24,055	29,417
	<u>811,564</u>	<u>873,146</u>

14. SECURED DEBTS

The bank holds a guarantee of £92,000 granted in favour of Fiat Auto Financial Services Limited.

15. PROVISIONS FOR LIABILITIES

	2015 £	2014 £
Deferred taxation	<u>36,402</u>	<u>36,079</u>
		Deferred tax
		£
Balance at 1 February 2014		36,079
Increase in provision		323
Balance at 31 January 2015		<u>36,402</u>

The deferred tax provision relates to accelerated capital allowances and other short term timing differences.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2015 £	2014 £
Number:	Class:			
3,400	Ordinary		<u>3,400</u>	<u>3,400</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 January 2015

17. RESERVES

	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 February 2014	4,619,937	37,400	19,200	4,676,537
Profit for the year	168,520			168,520
Dividends	(20,000)			(20,000)
At 31 January 2015	<u>4,768,457</u>	<u>37,400</u>	<u>19,200</u>	<u>4,825,057</u>

18. RELATED PARTY DISCLOSURES**D G MacKenzie**

A director of the company

Loans to the value of £39,915 were received during the year. During the year, the director received dividends of £20,000.

	2015 £	2014 £
Amount due to related party at the balance sheet date	<u>127,262</u>	<u>87,347</u>

Mrs C Y MacKenzie

A director of the company

Loans to the value of £33,384 were repaid during the year.

	2015 £	2014 £
Amount due to related party at the balance sheet date	<u>-</u>	<u>33,384</u>

19. ULTIMATE CONTROLLING PARTY

The controlling party is D G MacKenzie.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Profit for the financial year	168,520	81,295
Dividends	(20,000)	(20,000)
Net addition to shareholders' funds	<u>148,520</u>	<u>61,295</u>
Opening shareholders' funds	4,679,937	4,618,642
Closing shareholders' funds	<u>4,828,457</u>	<u>4,679,937</u>