

Company Registration No. SC071949 (Scotland)

Regency Oils Limited

**Unaudited financial statements
for the year ended 31 May 2019**

Pages for filing with the Registrar



Saffery Champness
CHARTERED ACCOUNTANTS

Regency Oils Limited

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Regency Oils Limited

Statement of financial position

As at 31 May 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	3		627,107		746,479
Current assets					
Stocks		397,487		410,551	
Debtors	4	919,011		1,133,563	
Investments	5	135,439		106,325	
Cash at bank and in hand		658,448		254,616	
		2,110,385		1,905,055	
Creditors: amounts falling due within one year	6	(1,412,600)		(1,406,686)	
Net current assets			697,785		498,369
Total assets less current liabilities			1,324,892		1,244,848
Creditors: amounts falling due after more than one year	7		(26,000)		(48,000)
Provisions for liabilities			(51,068)		(67,500)
Net assets			1,247,824		1,129,348
Capital and reserves					
Called up share capital	8		50,000		50,000
Revaluation reserve	9		42,129		42,129
Capital redemption reserve			100,000		100,000
Profit and loss reserves			1,055,695		937,219
Total equity			1,247,824		1,129,348

Regency Oils Limited

Statement of financial position (continued)

As at 31 May 2019

The director of the company has elected not to include a copy of the income statement within the financial statements.

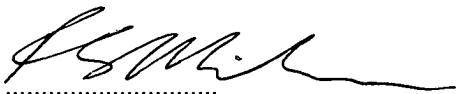
For the financial year ended 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have 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.

The financial statements were approved and signed by the director and authorised for issue on 13/02/2020



Robert Milne

Director

Company Registration No. SC071949

1 Accounting policies

Company information

Regency Oils Limited is a private company limited by shares incorporated in Scotland. The registered office is 15 Marine Place, Buckie, AB56 IUT.

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 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. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Land and buildings are stated at deemed historical cost (previously revalued cost) following the transition to FRS 102. The remainder of tangible fixed assets are measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or deemed cost of assets less their residual values over their useful lives on the following bases:

Heritable property	2% straight line
Short term leasehold property	over the period of the lease
Commercial vehicles	10% straight line
Plant and equipment	5% straight line
Fixtures and fittings	10% reducing balance
Motor vehicles	25% reducing balance

1 Accounting policies (continued)

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 profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.5 Current asset investments

Investments are stated at market value. Gains and losses on disposal and revaluation of investments are charged or credited to the income statement.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Heritable property held for sale is carried at its market value.

1.7 Cash at bank and in hand

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

1.8 Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Debtors

Debtors do not carry interest and are stated at their nominal value. Appropriate allowances are made for estimated unrecoverable amounts, which are recognised in the profit and loss account when there is objective evidence that the asset is impaired.

1 Accounting policies (continued)

Loans

Basic financial liabilities, including loans, 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

Trade creditors are not interest bearing and are stated at their nominal value.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 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 income statement 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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1 Accounting policies (continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 20 (2018 - 22).

Regency Oils Limited

Notes to the financial statements (continued)
For the year ended 31 May 2019

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 June 2018	553,659	1,087,216	1,640,875
Additions	-	20,878	20,878
Disposals	-	(121,332)	(121,332)
At 31 May 2019	553,659	986,762	1,540,421
Depreciation and impairment			
At 1 June 2018	208,561	685,835	894,396
Depreciation charged in the year	10,248	69,335	79,583
Eliminated in respect of disposals	-	(60,665)	(60,665)
At 31 May 2019	218,809	694,505	913,314
Carrying amount			
At 31 May 2019	334,850	292,257	627,107
At 31 May 2018	345,098	401,381	746,479

In applying the accounting policies required by FRS 102, the company has elected that the revalued value of the land and buildings be deemed cost as from the transition date. Accordingly, the revaluation reserve has been frozen at £42,129.

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	827,037	1,020,426
Other debtors	91,974	113,137
	919,011	1,133,563

Regency Oils Limited

Notes to the financial statements (continued)

For the year ended 31 May 2019

5 Current asset investments

	2019	2018
	£	£
Other investments	135,439	106,325
	<u>135,439</u>	<u>106,325</u>

6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	17,057	-
Trade creditors	1,254,346	1,241,525
Corporation tax	61,243	16,089
Other taxation and social security	4,794	10,968
Other creditors	75,160	138,104
	<u>1,412,600</u>	<u>1,406,686</u>

The bank holds a standard security over certain fixed assets. The bank has also been granted a bond and floating charge over the whole assets of the company.

The bank holds an assignation charge over a life policy of Robert Milne.

Hire purchase agreements are secured by retention of title over the relevant assets to which the agreements relate.

7 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	26,000	48,000
	<u>26,000</u>	<u>48,000</u>

8 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
50,000 ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

9 Revaluation reserve

In applying the accounting policies required by FRS 102, the company has elected that the revalued value of the land and buildings be deemed cost as from the transition date. Accordingly, the revaluation reserve has been frozen at £42,129.

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases with a remaining lease term of 59 years (2018 - 60 years), as follows:

2019	2018
£	£
812,430	826,200
<u>812,430</u>	<u>826,200</u>