
MAXIM POWER TOOLS (SCOTLAND) LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018



MAXIM POWER TOOLS (SCOTLAND) LIMITED
REGISTERED NUMBER: SC080609

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	14,710	21,876
		<u>14,710</u>	<u>21,876</u>
Current assets			
Stocks		182,621	180,207
Debtors: amounts falling due within one year	7	483,139	205,012
Current asset investments	8	73,298	76,310
Cash at bank and in hand	9	2,327,419	2,297,135
		<u>3,066,477</u>	<u>2,758,664</u>
Creditors: amounts falling due within one year	10	(364,787)	(222,988)
Net current assets		<u>2,701,690</u>	<u>2,535,676</u>
Total assets less current liabilities		<u>2,716,400</u>	<u>2,557,552</u>
Net assets		<u>2,716,400</u>	<u>2,557,552</u>
Capital and reserves			
Called up share capital	11	75,000	75,000
Profit and loss account		2,641,400	2,482,552
		<u>2,716,400</u>	<u>2,557,552</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

30 August 2019

A. Kilpatrick

Mr A Kilpatrick
 Director

The notes on pages 2 to 8 form part of these financial statements.

MAXIM POWER TOOLS (SCOTLAND) LIMITED

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

1. General information

Maxim Power Tools (Scotland) Limited is a private company limited by shares and incorporated in Scotland. The registered office is Unit 5, Inner City Trading Estate, 40 Couper Street, Glasgow, G4 0DL. The accounts are presented in Sterling. The principal activity of the company is the sale of special tools, spares and accessories.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.4 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

MAXIM POWER TOOLS (SCOTLAND) LIMITED

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

2. Accounting policies (continued)

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Motor vehicles	-	15%
Fixtures and fittings	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

MAXIM POWER TOOLS (SCOTLAND) LIMITED

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

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

2.12 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

MAXIM POWER TOOLS (SCOTLAND) LIMITED

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

2. Accounting policies (continued)

2.14 Taxation

Tax is recognised in the Statement of Income and Retained Earnings.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.15 Current Asset Investments

Investments are stated at market value and are revalued on an annual basis.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgments and estimates have had the most significant effect on amounts recognised in the financial statements.

Provisions

Provisions are recognised where the Company has an obligation, as a result of a past event, that can be measured reliably and where the outcome is less than probable, but more than remote, no provision is recorded but a contingent liability is disclosed in the financial statements if material. The recording of provisions is an area which requires the exercise of management judgement relating to the nature, timing and probability of the liability.

4. Employees

The average monthly number of employees, including directors, during the year was 8 (2017 - 8).

MAXIM POWER TOOLS (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2018	133,863	20,000	30,901	184,764
At 31 December 2018	133,863	20,000	30,901	184,764
Depreciation				
At 1 January 2018	129,977	2,222	30,689	162,888
Charge for the year on owned assets	498	6,668	-	7,166
At 31 December 2018	130,475	8,890	30,689	170,054
Net book value				
At 31 December 2018	3,388	11,110	212	14,710
At 31 December 2017	3,886	17,778	212	21,876

6. Stocks

	2018 £	2017 £
Finished goods and goods for resale	182,621	180,207
	182,621	180,207

7. Debtors

	2018 £	2017 £
Trade debtors	469,491	191,277
Prepayments and accrued income	13,648	13,735
	483,139	205,012

MAXIM POWER TOOLS (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Current asset investments

	2018	2017
	£	£
Unlisted investments	73,298	76,310
	73,298	76,310

9. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	2,327,419	2,297,135
	2,327,419	2,297,135

10. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	190,757	69,526
Amounts owed to group undertakings	70,292	62,100
Corporation tax	39,567	31,560
Other taxation and social security	52,317	31,739
Other creditors	6,045	12,308
Accruals and deferred income	5,809	15,755
	364,787	222,988

11. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
75,000 (2017 - 75,000) Ordinary shares of £1.00 each	75,000	75,000

12. Contingent liabilities

The company has guaranteed any bank indebtedness of Airtec International Limited and Kilpatrick Fraser Limited, by way of a bond and floating over the assets of the company. Neither of these companies had any bank indebtedness at 31 December 2018.

MAXIM POWER TOOLS (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Pension commitments

The company operates a defined contribution pension scheme and invests in personal pension plans of named individuals. The assets of the scheme are held separately from those of the company in an independently administered fund. Then pension cost charge represents contributions payable by the company to the funds and amounted to £3,837 (2017 - £4,209).

14. Related party transactions

During the year the company made donations totalling £60,000 (2017: £50,000) to the Kilpatrick Fraser Charitable Trust. Mr A Kilpatrick is a trustee of the trust.

15. Controlling party

The ultimate controlling party is Kilpatrick Fraser (Holdings) Limited, a company registered in Scotland. The intermediate parent company is Kilpatrick Fraser Limited. Mr A Kilpatrick is the majority shareholder in Kilpatrick Fraser (Holdings) Limited.

16. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 11/09/19. by Stephen G Hughes (Senior Statutory Auditor) on behalf of French Duncan LLP.