

David Philp (Commercials) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

Glen Drummond Ltd
Chartered Accountants
Argyll House
Quarrywood Court
Livingston
West Lothian
EH54 6AX

David Philp (Commercials) Limited

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David Philp (Commercials) Limited

Company Information

Directors	Hazel Anderson David Philp Jnr
Registered office	Camps Industrial Estate East Calder Mid Lothian EH27 8DF
Accountants	Glen Drummond Ltd Chartered Accountants Argyll House Quarrywood Court Livingston West Lothian EH54 6AX

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
David Philp (Commercial) Limited
for the Year Ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of David Philp (Commercial) Limited for the year ended 31 March 2017 as set out on pages 3 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of David Philp (Commercial) Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of David Philp (Commercial) Limited and state those matters that we have agreed to state to the Board of Directors of David Philp (Commercial) Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than David Philp (Commercial) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that David Philp (Commercial) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of David Philp (Commercial) Limited. You consider that David Philp (Commercial) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of David Philp (Commercial) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Glen Drummond Ltd
Chartered Accountants
Argyll House
Quarrywood Court
Livingston
West Lothian
EH54 6AX

7 December 2017

David Philp (Commercials) Limited

(Registration number: SC084457)

Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	996,772	988,469
Current assets			
Stocks	<u>5</u>	131,686	155,813
Debtors	<u>6</u>	2,786,756	2,620,146
Investments	<u>7</u>	6,000	6,000
Cash at bank and in hand		1,007,683	858,761
		<u>3,932,125</u>	<u>3,640,720</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(732,352)</u>	<u>(642,845)</u>
Net current assets		<u>3,199,773</u>	<u>2,997,875</u>
Total assets less current liabilities		4,196,545	3,986,344
Creditors: Amounts falling due after more than one year	<u>8</u>	(206,600)	(261,162)
Provisions for liabilities		<u>(42,017)</u>	<u>(47,063)</u>
Net assets		<u>3,947,928</u>	<u>3,678,119</u>
Capital and reserves			
Called up share capital		100,000	100,000
Profit and loss account		<u>3,847,928</u>	<u>3,578,119</u>
Total equity		<u>3,947,928</u>	<u>3,678,119</u>

For the financial year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

- The directors acknowledge their responsibilities for complying with the Sections 386 and 387 of the Companies Act 2006 with respect to accounting records and the preparation of the 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.
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The notes on pages 5 to 12 form an integral part of these financial statements.

David Philp (Commercials) Limited

(Registration number: SC084457)

Balance Sheet as at 31 March 2017

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 7 December 2017 and signed on its behalf by:

.....

Hazel Anderson

Director

The notes on pages 5 to 12 form an integral part of these financial statements.
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David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Camps Industrial Estate

East Calder

Mid Lothian

EH27 8DF

These financial statements were authorised for issue by the Board on 7 December 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. There were no material departures from that standard.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation currency of the financial statements is the Pound Sterling (£).

Revenue recognition

Turnover comprises the fair value of the consideration derived from that of the repair and servicing of vehicles. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

At the balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Expenditure of £300 or more on individual tangible fixed assets is capitalised at cost. Expenditure on assets below this threshold is charged directly to the profit and loss account in the period it is incurred.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	4% on cost
Furniture, fittings and equipment	15% on reducing balance
Motor vehicles	25% on reducing balance
Other property, plant and equipment	15% reducing balance

David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

David Philp (Commercial) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

3 Staff numbers

The average number of persons employed by the company (including the directors) during the year was 39 (2016 - 39).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 April 2016	1,162,386	71,317	608,568	398,488	2,240,759
Additions	71,325	-	64,790	17,805	153,920
Disposals	-	(7,352)	(27,000)	(16,027)	(50,379)
At 31 March 2017	<u>1,233,711</u>	<u>63,965</u>	<u>646,358</u>	<u>400,266</u>	<u>2,344,300</u>
Depreciation					
At 1 April 2016	542,153	46,822	359,800	303,515	1,252,290
Charge for the year	49,259	3,704	69,704	15,356	138,023
Eliminated on disposal	-	(6,285)	(21,931)	(14,569)	(42,785)
At 31 March 2017	<u>591,412</u>	<u>44,241</u>	<u>407,573</u>	<u>304,302</u>	<u>1,347,528</u>
Carrying amount					
At 31 March 2017	<u><u>642,299</u></u>	<u><u>19,724</u></u>	<u><u>238,785</u></u>	<u><u>95,964</u></u>	<u><u>996,772</u></u>
At 31 March 2016	<u><u>620,233</u></u>	<u><u>24,495</u></u>	<u><u>248,768</u></u>	<u><u>94,973</u></u>	<u><u>988,469</u></u>

Included within the net book value of land and buildings above is £642,299 (2016 - £620,232) in respect of freehold land and buildings.

David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Stocks

	2017 £	2016 £
Work in progress	70,346	83,026
Other inventories	61,340	72,787
	<u>131,686</u>	<u>155,813</u>

David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

6 Debtors

	Note	2017 £	2016 £
Trade debtors		846,145	779,657
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>11</u>	1,820,489	1,840,489
Other debtors		120,122	-
		<u>2,786,756</u>	<u>2,620,146</u>

7 Current asset investments

	2017 £	2016 £
Other investments	<u>6,000</u>	<u>6,000</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	<u>9</u>	105,666	89,944
Trade creditors		348,673	335,907
Taxation and social security		241,983	211,881
Accruals and deferred income		31,045	-
Other creditors		4,985	5,113
		<u>732,352</u>	<u>642,845</u>

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>206,600</u>	<u>261,162</u>

David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	174,890	208,738
Finance lease liabilities	31,710	52,424
	<u>206,600</u>	<u>261,162</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	61,247	47,914
Finance lease liabilities	44,419	42,030
	<u>105,666</u>	<u>89,944</u>

The company has granted its bankers a standard security over the property at Camps Industrial Estate, East Calder. It has also granted a floating charge over the assets and undertakings of the company.

The finance lease liabilities are secured over the assets concerned.

10 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary of £1 each	100,000	100,000	100,000	100,000

David Philp (Commercials) Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

11 Related party transactions

David Philp (Holdings) Limited

(Parent company)

The company operates a loan account with the above company. During the year, David Philp (Holdings) Limited repaid £20,000 to the company. At the year end, the balance due from David Philp (Holdings) Limited was £1,820,488 (2016 - £1,840,488). There are no fixed repayment terms and no interest is charged.

L Bertram

(Shareholder of parent company)

The company operates a loan account with the above, L Bertram. At the year end, the balance due from L Bertram was £7,140 (2016 - £7,724). There are no fixed repayment terms and no interest is charged.

12 Parent and ultimate parent undertaking

The ultimate controlling party is Hazel Anderson, Lesley Bertram, Gillian Philp and David Philp.

13 Transition to FRS 102

These financial statements for the year ended 31 March 2017 are the first financial statements that comply with FRS 102 Section 1A Small Entities. The date of transition is 1 April 2015.

The transition to FRS 102 Section 1A Small Entities has had no impact on the financial statements.

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.