

**Forsyth of Denny Limited**  
**Abbreviated Financial Statements**  
**for the year ended 31 March 2011**



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**Dickson Middleton**  
**Chartered Accountants**  
**Stirling Bonnybridge Callander Auchterarder**  
**The UK 200 Group**  
**Practising Chartered Accountants**

## **Forsyth of Denny Limited**

### **Contents**

	<b>Page</b>
Directors' report	<b>1 - 2</b>
Auditors' report	<b>3</b>
Abbreviated profit and loss account	<b>4</b>
Abbreviated balance sheet	<b>5</b>
Cash flow statement	<b>6</b>
Notes to the financial statements	<b>7 - 16</b>

## **Forsyth of Denny Limited**

### **Directors' report for the year ended 31 March 2011**

The directors present their report and the accounts for the year ended 31 March 2011.

#### **Principal activity and review of the business**

The principal activity of the company continued to be the provision of mobile craneage and haulage services, accident recovery and salvage, plant and steam cleaning services and operators of a caravan site.

#### **Results and dividends**

The results for the year are set out on page 4.

The directors do not recommend payment of a final dividend.

#### **Financial risk management objectives and policies**

The principal risks and uncertainties facing the company are credit and operational in nature.

The company mainly trades with long standing customers, the nature of those relationships assist management in controlling its commercial and credit risks in addition to normal credit management. The company seeks to minimise operational risk through clearly defined responsibilities for management and a commitment to maintaining high standards of health and safety.

The directors regularly monitor the operating performance of the company through the use of key performance indicators (KPIs) such as profit and cash performance.

#### **Directors and their interests**

The directors who served during the year and their respective interests in the company are stated below:

	<b>Class of share</b>	<b>31/03/11</b>	<b>01/04/10</b>
R M Forsyth	Ordinary shares	135,000	135,000
Miss E Forsyth	Ordinary shares	60,000	60,000
C Forsyth	Ordinary shares	60,000	60,000
R Forsyth Jnr	Ordinary shares	55,000	55,000
A Rae	Ordinary shares	45,000	45,000

**Forsyth of Denny Limited**

**Directors' report  
for the year ended 31 March 2011**

**Statement of directors' responsibilities**

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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.

In so far as the directors are aware:

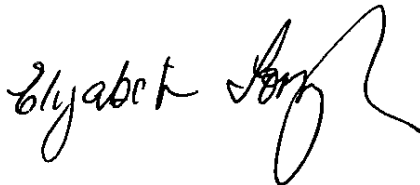
- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

Dickson Middleton are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 14 December 2011 and signed on its behalf by

**Miss E Forsyth  
Secretary**



**Independent auditors' report to Forsyth of Denny Limited  
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 4 to 16 together with the financial statements of Forsyth of Denny Limited for the year ended 31 March 2011 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the directors and the auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with that provision.



**John Watkins (senior statutory auditor)  
For and on behalf of Dickson Middleton  
Chartered Accountants and  
Statutory Auditors  
20 Barnton Street  
Stirling  
FK8 1NE**

**14 December 2011**

**Forsyth of Denny Limited**

**Abbreviated profit and loss account  
for the year ended 31 March 2011**

		<b>Continuing operations</b>	
		<b>2011</b>	<b>2010</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>		4,880,581	4,252,528
<b>Gross profit</b>		1,115,339	1,112,867
Administrative expenses		(899,098)	(864,722)
<b>Operating profit</b>	<b>2</b>	216,241	248,145
Other interest receivable and similar income	<b>4</b>	4,247	4,145
Interest payable and similar charges	<b>5</b>	(70,739)	(89,250)
<b>Profit on ordinary activities before taxation</b>		149,749	163,040
Tax on profit on ordinary activities	<b>8</b>	(11,146)	(60,249)
<b>Profit for the year</b>	<b>18</b>	138,603	102,791
Retained profit brought forward		3,383,116	3,280,325
<b>Retained profit carried forward</b>		3,521,719	3,383,116

There are no recognised gains or losses other than the profit or loss for the above two financial years.

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

**Forsyth of Denny Limited**

**Abbreviated balance sheet  
as at 31 March 2011**

		2011		2010	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		4,578,611		3,945,625
<b>Current assets</b>					
Stocks	10	198,722		200,351	
Debtors	11	1,074,300		1,085,683	
Cash at bank and in hand		1,068,806		1,031,899	
		<u>2,341,828</u>		<u>2,317,933</u>	
<b>Creditors: amounts falling due within one year</b>	12	(1,140,342)		(914,290)	
<b>Net current assets</b>			<u>1,201,486</u>		<u>1,403,643</u>
<b>Total assets less current liabilities</b>			5,780,097		5,349,268
<b>Creditors: amounts falling due after more than one year</b>	13		(1,327,689)		(1,009,436)
<b>Provisions for liabilities</b>	15		<u>(430,689)</u>		<u>(456,716)</u>
<b>Net assets</b>			<u>4,021,719</u>		<u>3,883,116</u>
<b>Capital and reserves</b>					
Called up share capital	17		500,000		500,000
Profit and loss account	18		<u>3,521,719</u>		<u>3,383,116</u>
<b>Shareholders' funds</b>	19		<u>4,021,719</u>		<u>3,883,116</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Section 445(3) of the Companies Act 2006 relating to medium-sized companies.

The abbreviated accounts were approved by the Board on 14 December 2011 and signed on its behalf by

**R M Forsyth**  
**Director**



**Registration number SC105626**

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

# Forsyth of Denny Limited

## Cash flow statement for the year ended 31 March 2011

	Notes	2011 £	2010 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		216,241	248,145
Depreciation less gains on disposals of fixed assets		635,711	333,567
Decrease / (increase) in stocks		1,629	(11,152)
Increase in debtors		(7,731)	(179,706)
Increase in creditors		101,247	42,415
<b>Net cash inflow from operating activities</b>		<u>947,097</u>	<u>433,269</u>
<b>Cash flow statement</b>			
Net cash inflow from operating activities		947,097	433,269
Returns on investments and servicing of finance	23	(66,492)	(85,105)
Taxation	23	19,114	(49,888)
Capital expenditure	23	(377,037)	336,935
		522,682	635,211
Financing	23	(485,775)	(571,196)
<b>Increase in cash in the year</b>		<u>36,907</u>	<u>64,015</u>
<b>Reconciliation of net cash flow to movement in net debt (Note 24)</b>			
<b>Increase in cash in the year</b>		36,907	64,015
Cash inflow from increase in debts and lease financing		485,775	571,196
Change in net funds resulting from cash flows		522,682	635,211
New finance leases and hire purchase contracts		(891,660)	(552,805)
<b>Movement in net debt in the year</b>		(368,978)	82,406
<b>Net debt at 1 April 2010</b>		(389,945)	(472,351)
<b>Net debt at 31 March 2011</b>		<u>(758,923)</u>	<u>(389,945)</u>



## **Forsyth of Denny Limited**

### **Notes to the abbreviated financial statements for the year ended 31 March 2011**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

##### **1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land	-	Nil
Freehold buildings	-	Straight line over 50 years
Leasehold properties	-	5% straight line method
Plant and machinery		
Plant and equipment	-	12% reducing balance method
Caravans, furnishings and office equipment	-	12.5% reducing balance method
House fittings	-	12.5% reducing balance method
Central heating	-	15% reducing balance method
Computer equipment	-	25% reducing balance method
Cranes and lorries		
Leased	-	20% straight line method
Owned - large cranes	-	10% straight line method
- other cranes/lorries	-	25% reducing balance method
Motor vehicles	-	25% reducing balance method

Depreciation is not charged in respect of tangible fixed assets until they are brought into use by the company.

##### **1.4. Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.5. Stock**

Stock is valued at the lower of cost and net realisable value.

# Forsyth of Denny Limited

## Notes to the abbreviated financial statements for the year ended 31 March 2011

### 1.6. Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

### 1.7. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

<b>2. Operating profit</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	726,554	666,225
Operating lease rentals		
- Land and buildings	14,500	14,500
Auditors' remuneration (Note 3)	6,300	6,000
	<u>          </u>	<u>          </u>
and after crediting:		
Profit on disposal of tangible fixed assets	90,843	332,658
Net foreign exchange gain / (loss)	(188)	(392)
	<u>          </u>	<u>          </u>
 <b>3. Auditors' remuneration</b>	 <b>2011</b>	 <b>2010</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - audit of the financial statements	6,300	6,000
	<u>          </u>	<u>          </u>
 <b>4. Interest receivable and similar income</b>	 <b>2011</b>	 <b>2010</b>
	<b>£</b>	<b>£</b>
Bank interest	4,145	4,120
Other interest	102	25
	<u>          </u>	<u>          </u>
	4,247	4,145
	<u>          </u>	<u>          </u>

**Forsyth of Denny Limited**

**Notes to the abbreviated financial statements  
for the year ended 31 March 2011**

<b>5. Interest payable and similar charges</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Hire purchase interest	<u>70,739</u>	<u>89,250</u>
<b>6. Employees</b>		
<b>Number of employees</b>	<b>2011</b>	<b>2010</b>
The average monthly numbers of employees (including the directors) during the year were:		
Production staff	45	45
Administration staff	9	9
	<u>54</u>	<u>54</u>
<b>Employment costs</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,932,317	1,848,581
Social security costs	209,305	196,712
Pension costs	152,050	102,900
	<u>2,293,672</u>	<u>2,148,193</u>
<b>6.1. Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	322,213	324,514
Pension contributions	152,050	102,900
	<u>474,263</u>	<u>427,414</u>
	<b>Number</b>	<b>Number</b>
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>4</u>	<u>4</u>
<b>Highest paid director</b>	<b>£</b>	<b>£</b>
Amounts included above:		
Emoluments and other benefits	86,500	86,221
Pension contributions	25,000	17,000
	<u>111,500</u>	<u>103,221</u>

# Forsyth of Denny Limited

## Notes to the abbreviated financial statements for the year ended 31 March 2011

### 7. Pension costs

The company operates defined contribution pension schemes in respect of the directors. The schemes and their assets are held by independent managers. The pension cost charge represents contributions due from the company and amounted to £152,050 (2010 - £102,900).

### 8. Tax on profit on ordinary activities

Analysis of charge in period	2011 £	2010 £
<b>Current tax</b>		
UK corporation tax	37,173	(19,114)
Total current tax charge	<u>37,173</u>	<u>(19,114)</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	(4,279)	54,870
Effect of changes in tax rates	(21,748)	24,493
Total deferred tax	<u>(26,027)</u>	<u>79,363</u>
Tax on profit on ordinary activities	<u>11,146</u>	<u>60,249</u>

#### Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (28.00 per cent). The differences are explained below:

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>149,749</u>	<u>163,040</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK	41,930	45,651
<b>Effects of:</b>		
Expenses not deductible for tax purposes	446	1,029
Capital allowances for period in excess of depreciation	7,187	(72,165)
Small companies rate / Marginal rate relief	(12,390)	6,371
Current tax charge for period	<u>37,173</u>	<u>(19,114)</u>

# Forsyth of Denny Limited

## Notes to the abbreviated financial statements for the year ended 31 March 2011

9. Tangible fixed assets	Land and buildings freehold £	Long leasehold property £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2010	364,820	13,945	6,534,615	231,070	7,144,450
Additions	-	-	1,444,231	62,309	1,506,540
Disposals	-	-	(475,169)	(27,551)	(502,720)
At 31 March 2011	<u>364,820</u>	<u>13,945</u>	<u>7,503,677</u>	<u>265,828</u>	<u>8,148,270</u>
<b>Depreciation</b>					
At 1 April 2010	23,048	13,940	3,025,940	135,897	3,198,825
On disposals	-	-	(331,620)	(24,100)	(355,720)
Charge for the year	3,396	5	694,884	28,269	726,554
At 31 March 2011	<u>26,444</u>	<u>13,945</u>	<u>3,389,204</u>	<u>140,066</u>	<u>3,569,659</u>
<b>Net book values</b>					
At 31 March 2011	<u>338,376</u>	<u>-</u>	<u>4,114,473</u>	<u>125,762</u>	<u>4,578,611</u>
At 31 March 2010	<u>341,772</u>	<u>5</u>	<u>3,508,675</u>	<u>95,173</u>	<u>3,945,625</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2011		2010	
	Net	Depreciation	Net	Depreciation
	book value £	charge £	book value £	charge £
Plant and machinery	<u>3,221,465</u>	<u>417,792</u>	<u>2,586,681</u>	<u>338,843</u>
<b>10. Stocks</b>			<b>2011</b>	<b>2010</b>
			£	£
Raw materials and consumables			145,518	146,645
Finished goods and goods for resale			53,204	53,706
			<u>198,722</u>	<u>200,351</u>

**Forsyth of Denny Limited**

**Notes to the abbreviated financial statements  
for the year ended 31 March 2011**

<b>11. Debtors</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,022,131	1,006,731
Other debtors	-	19,114
Prepayments and accrued income	52,169	59,838
	<u>1,074,300</u>	<u>1,085,683</u>
 <b>12. Creditors: amounts falling due within one year</b>	 <b>2011</b>	 <b>2010</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	500,040	412,408
Trade creditors	231,358	185,662
Corporation tax	37,173	-
Other taxes and social security costs	232,846	182,702
Directors' current accounts	600	600
Accruals and deferred income	138,325	132,918
	<u>1,140,342</u>	<u>914,290</u>
 <b>13. Creditors: amounts falling due after more than one year</b>	 <b>2011</b>	 <b>2010</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	<u>1,327,689</u>	<u>1,009,436</u>
 <b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	500,040	412,408
Repayable between one and five years	<u>1,327,689</u>	<u>1,009,436</u>
	<u>1,827,729</u>	<u>1,421,844</u>

**Forsyth of Denny Limited**

**Notes to the abbreviated financial statements  
for the year ended 31 March 2011**

<b>14</b>	<b>Secured creditors</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Hire purchase liabilities	<u>1,827,729</u>	<u>1,421,844</u>
<b>15.</b>	<b>Provisions for liabilities</b>		
		<b>Deferred taxation (Note 16)</b>	<b>Total</b>
		<b>£</b>	<b>£</b>
	At 1 April 2010	456,716	456,716
	Movements in the year	(26,027)	(26,027)
	At 31 March 2011	<u>430,689</u>	<u>430,689</u>
<b>16.</b>	<b>Provision for deferred taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Accelerated capital allowances	<u>430,689</u>	<u>456,716</u>
	Provision for deferred tax	<u>430,689</u>	<u>456,716</u>
	Provision at 1 April 2010	456,716	
	Deferred tax credit in profit and loss account	(26,027)	
	Provision at 31 March 2011	<u>430,689</u>	

Deferred taxation is based on a corporation tax rate of 20% (2010 - 21%)

**Forsyth of Denny Limited**

**Notes to the abbreviated financial statements  
for the year ended 31 March 2011**

<b>17. Share capital</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
<b>Allotted, called up and fully paid</b>		
500,000 Ordinary shares of £1 each	500,000	500,000

<b>18. Equity Reserves</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>At 1 April 2010</b>	3,383,116	3,383,116
Profit for the year	138,603	138,603
<b>At 31 March 2011</b>	3,521,719	3,521,719

<b>19. Reconciliation of movements in shareholders' funds</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit for the year	138,603	102,791
Opening shareholders' funds	3,883,116	3,780,325
Closing shareholders' funds	4,021,719	3,883,116

**20. Financial commitments**

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Within one year	14,500	14,500



**Forsyth of Denny Limited**

**Notes to the abbreviated financial statements  
for the year ended 31 March 2011**

**21. Capital commitments**

	2011 £	2010 £
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Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in the financial statements

	-	907,080
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**22. Transactions with directors**

The company rents the land and buildings from which it operates from Mr R M Forsyth, a director and shareholder, at an annual rent of £14,500 (2010 - £14,500). Creditors includes the sum of £ 21,750 (2010 - £14,500) payable under this arrangement.

**23. Gross cash flows**

	2011 £	2010 £
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**Returns on investments and servicing of finance**

Interest received

	4,247	4,145
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Interest paid

	(70,739)	(89,250)
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	(66,492)	(85,105)
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**Taxation**

Corporation tax paid

	-	(49,888)
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Corporation tax repaid

	19,114	-
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	19,114	(49,888)
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**Capital expenditure**

Payments to acquire tangible assets

	(614,880)	(253,815)
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Receipts from sales of tangible assets

	237,843	590,750
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	(377,037)	336,935
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**Financing**

Capital element of finance leases and hire purchase contracts

	(485,775)	(571,196)
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**Forsyth of Denny Limited**

**Notes to the abbreviated financial statements  
for the year ended 31 March 2011**

**24. Analysis of changes in net funds**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Other changes</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,031,899	36,907		1,068,806
Finance leases and hire purchase contracts	(1,421,844)	485,775	(891,660)	(1,827,729)
<b>Net funds</b>	<u>(389,945)</u>	<u>522,682</u>	<u>(891,660)</u>	<u>(758,923)</u>