

Abridged Unaudited Financial Statements for the Year Ended 31 May 2020

for

David Ritchie & Sons Limited

Contents of the Financial Statements
for the Year Ended 31 May 2020

	Page
Company Information	1
Abridged Balance Sheet	2
Notes to the Financial Statements	4
Chartered Accountants' Report	8

DIRECTORS:

D Ritchie
R Ritchie
B Ritchie

SECRETARY:

B Ritchie

REGISTERED OFFICE:

Pine View
Carr Road
Carr-Bridge
Inverness-shire
PH23 3AD

REGISTERED NUMBER:

SC231418 (Scotland)

ACCOUNTANTS:

Stewart & Stewart Ltd
Chartered Accountants
Achoon House
34 Millbank Road
Munlochy
Ross-Shire
IV8 8ND

Abridged Balance Sheet
31 May 2020

	Notes	31.5.20 £	£	31.5.19 £	£
FIXED ASSETS					
Tangible assets	4		1,298,651		1,390,806
Investments	5		<u>1</u>		<u>1</u>
			1,298,652		1,390,807
CURRENT ASSETS					
Stocks		10,816		21,244	
Debtors		275,706		507,923	
Cash at bank and in hand		<u>1,373,088</u>		<u>978,429</u>	
		1,659,610		1,507,596	
CREDITORS					
Amounts falling due within one year		<u>359,723</u>		<u>306,553</u>	
NET CURRENT ASSETS			<u>1,299,887</u>		<u>1,201,043</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,598,539		2,591,850
CREDITORS					
Amounts falling due after more than one year			(119,995)		(163,007)
PROVISIONS FOR LIABILITIES			(379,343)		(371,741)
ACCRUALS AND DEFERRED INCOME			(922)		(1,153)
NET ASSETS			<u>2,098,279</u>		<u>2,055,949</u>
CAPITAL AND RESERVES					
Called up share capital			400		400
Retained earnings			<u>2,097,879</u>		<u>2,055,549</u>
SHAREHOLDERS' FUNDS			<u>2,098,279</u>		<u>2,055,949</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing 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.

Abridged Balance Sheet - continued
31 May 2020

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

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 31 May 2020 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 18 December 2020 and were signed on its behalf by:

B Ritchie - Director

R Ritchie - Director

Notes to the Financial Statements
for the Year Ended 31 May 2020

1. **STATUTORY INFORMATION**

David Ritchie & Sons Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract. Turnover is recognised when the amount of turnover can be measured reliably, it is probable that the Company will receive the consideration due under the contract, the stage of completion of the contract at the end of the reporting period can be measured reliably and when the costs incurred and the costs to complete the contract can be measured reliably.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the property
Plant and machinery	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase and other costs incurred in bringing the stock to its present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 29 (2019 - 28) .

4. **TANGIBLE FIXED ASSETS**

	Totals £
COST	
At 1 June 2019	3,207,448
Additions	269,114
Disposals	(308,368)
At 31 May 2020	<u>3,168,194</u>
DEPRECIATION	
At 1 June 2019	1,816,642
Charge for year	287,134
Eliminated on disposal	(234,233)
At 31 May 2020	<u>1,869,543</u>
NET BOOK VALUE	
At 31 May 2020	<u>1,298,651</u>
At 31 May 2019	<u>1,390,806</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

5. **FIXED ASSET INVESTMENTS**

Information on investments other than loans is as follows:

	Totals £
COST	
At 1 June 2019	
and 31 May 2020	<u>1</u>
NET BOOK VALUE	
At 31 May 2020	<u>1</u>
At 31 May 2019	<u>1</u>

6. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.5.20 £	31.5.19 £
Hire purchase contracts	<u>259,416</u>	<u>266,023</u>

Hire purchase liabilities are secured on the relevant assets.

7. **OTHER FINANCIAL COMMITMENTS**

The total amount of commitments, guarantees and contingencies is £37,800 (2019 - £43,200).

8. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 May 2020 and 31 May 2019:

	31.5.20 £	31.5.19 £
B Ritchie		
Balance outstanding at start of year	97,013	115,513
Amounts advanced	19,180	15,000
Amounts repaid	(75,057)	(33,500)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>41,136</u>	<u>97,013</u>
R Ritchie		
Balance outstanding at start of year	33,097	49,597
Amounts advanced	14,652	17,000
Amounts repaid	(47,749)	(33,500)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>33,097</u>

8. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

The above loans are unsecured and have no fixed repayment terms. Interest has been applied at a rate of 2.5% per annum to overdrawn loan accounts. The total outstanding at the balance sheet date has been included in current debtors.

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
David Ritchie & Sons Limited

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Abridged Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of David Ritchie & Sons Limited for the year ended 31 May 2020 which comprise the Abridged Income Statement, Abridged Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, 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 Ritchie & Sons Limited, as a body, in accordance with the terms of our engagement letter dated 11 June 2002. Our work has been undertaken solely to prepare for your approval the financial statements of David Ritchie & Sons Limited and state those matters that we have agreed to state to the Board of Directors of David Ritchie & Sons Limited, as a body, in this report in accordance with the requirements of ICAS 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 the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that David Ritchie & Sons Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of David Ritchie & Sons Limited. You consider that David Ritchie & Sons 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 financial statements of David Ritchie & Sons 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 financial statements.

Stewart & Stewart Ltd
Chartered Accountants
Achorn House
34 Millbank Road
Munlochy
Ross-Shire
IV8 8ND

18 December 2020

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.