

A G D Duff & Partners Limited
Filleted Unaudited Financial Statements
31 December 2016



WILLIAMSON & DUNN

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A G D Duff & Partners Limited

Financial Statements

Year ended 31 December 2016

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A G D Duff & Partners Limited

Statement of Financial Position

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	5	1,068,750	1,143,750
Tangible assets	6	334,151	344,546
		<u>1,402,901</u>	<u>1,488,296</u>
Current assets			
Stocks		129,500	69,400
Debtors	7	996,439	857,072
Cash at bank and in hand		452	–
		<u>1,126,391</u>	<u>926,472</u>
Creditors: amounts falling due within one year	8	1,048,182	1,009,332
Net current assets/(liabilities)		<u>78,209</u>	<u>(82,860)</u>
Total assets less current liabilities		<u>1,481,110</u>	<u>1,405,436</u>
Creditors: amounts falling due after more than one year	9	928,241	1,038,201
Provisions		<u>35,543</u>	<u>34,418</u>
Net assets		<u>517,326</u>	<u>332,817</u>
Capital and reserves			
Called up share capital		300	300
Profit and loss account		<u>517,026</u>	<u>332,517</u>
Members funds		<u>517,326</u>	<u>332,817</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2016 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 3 to 11 form part of these financial statements.

A G Duff & Partners Limited

Statement of Financial Position *(continued)*

31 December 2016

These financial statements were approved by the board of directors and authorised for issue on 2 August 2017, and are signed on behalf of the board by:



Mr P D Duff
Director

Mr A G Duff
Director



Company registration number: SC390477

The notes on pages 3 to 11 form part of these financial statements.

A G D Duff & Partners Limited

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

A G D Duff & Partners Limited ("the company") is a limited company incorporated in Scotland. The address of its registered office is Johnstone House, 52 - 54 Rose Street, Aberdeen, AB10 1HA.

The principal activity of the company during the year was that of fish merchants.

These financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

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 applicable legislation as set out in the Companies Act 2006. In preparing the financial statements, the company has taken advantage of the small companies exemption, as permitted by FRS 102 paragraph 1.12.

These financial statements have been prepared under the historical cost convention.

Going concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, included an assessment of uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on this assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 14.

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Disclosure exemptions

The company has taken advantage of the small companies disclosure exemption, as permitted by FRS 102 paragraph 1.12 and have therefore prepared the financial statements in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Judgements and key sources of estimation uncertainty

In preparing of the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Revenue recognition

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 (usually on despatch of the goods); 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.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 5% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	-	4% straight line
Plant and machinery	-	20% reducing balance
Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	33% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Government grants

Government grant income is recognised in the profit and loss account in full when the conditions attached to the grant have been satisfied.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company hold basic financial instruments which comprise cash and cash equivalents, trade and other receivables and trade and other payables. The Company has chosen to apply the provisions of Section 11 Basic Financial Instruments.

Financial assets - classified as basic financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recorded at transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment. The amount of the provision is recognised immediately in profit or loss.

At the end of each reporting period, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate.

(iii) Trade and other payables

Trade and other payables are initially measured at transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of cash expected to be paid.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 28 (2015: 26).

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

5. Intangible assets

	Goodwill £
Cost	
At 1 Jan 2016 and 31 Dec 2016	1,500,000
Amortisation	
At 1 January 2016	356,250
Charge for the year	75,000
At 31 December 2016	431,250
Carrying amount	
At 31 December 2016	1,068,750
At 31 December 2015	1,143,750

The amortisation period adopted by the directors is stated in note 3 to the accounts, under accounting policies. The directors are of the opinion that this policy represents the association with quality and service built up over a long period of years with the name A G D Duff & Partners Limited which continues to attract new customers and expand the business.

6. Tangible assets

	Leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Jan 2016	180,808	138,539	5,685	132,538	5,813	463,383
Additions	–	14,500	–	38,531	–	53,031
Disposals	–	(2,503)	–	(15,875)	–	(18,378)
At 31 Dec 2016	180,808	150,536	5,685	155,194	5,813	498,036
Depreciation						
At 1 Jan 2016	19,384	82,179	2,798	10,530	3,946	118,837
Charge for the year	4,641	12,882	578	37,133	616	55,850
Disposals	–	(1,764)	–	(9,038)	–	(10,802)
At 31 Dec 2016	24,025	93,297	3,376	38,625	4,562	163,885
Carrying amount						
At 31 Dec 2016	156,783	57,239	2,309	116,569	1,251	334,151
At 31 Dec 2015	161,424	56,360	2,887	122,008	1,867	344,546

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

6. Tangible assets *(continued)*

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £
At 31 December 2016	116,569
At 31 December 2015	<u>114,194</u>

7. Debtors

	2016 £	2015 £
Trade debtors	928,186	814,214
Other debtors	<u>68,253</u>	<u>42,858</u>
	<u>996,439</u>	<u>857,072</u>

8. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	312,173	341,126
Trade creditors	432,824	420,827
Corporation tax	89,128	61,546
Social security and other taxes	19,401	16,790
Other creditors	<u>194,656</u>	<u>169,043</u>
	<u>1,048,182</u>	<u>1,009,332</u>

9. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	–	24,608
Other creditors	<u>928,241</u>	<u>1,013,593</u>
	<u>928,241</u>	<u>1,038,201</u>

A G Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

10. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2016 £	2015 £
Not later than 1 year	32,684	26,114
Later than 1 year and not later than 5 years	80,038	84,894
	<u>112,722</u>	<u>111,008</u>
Less: future finance charges	(11,833)	(12,888)
Present value of minimum lease payments	<u>100,889</u>	<u>98,120</u>

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 £	2015 £
Not later than 1 year	9,353	11,748
Later than 1 year and not later than 5 years	4,078	13,430
	<u>13,431</u>	<u>25,178</u>

12. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2016		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr P D Duff	(321,066)	14,708	(306,358)
Mr A G Duff	(327,357)	34,350	(293,007)
Mrs M K Duff	(395,797)	32,720	(363,077)
	<u>(1,044,220)</u>	<u>81,778</u>	<u>(962,442)</u>

	2015		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr P D Duff	(385,818)	64,751	(321,067)
Mr A G Duff	(392,802)	65,446	(327,356)
Mrs M K Duff	(434,356)	38,559	(395,797)
	<u>(1,212,976)</u>	<u>168,756</u>	<u>(1,044,220)</u>

A G D Duff & Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

13. Related party transactions

The company was under the control of the three directors and equal shareholders, throughout the current and previous year.

Loans to the company are detailed in note 12. Interest was charged from 1 January 2016 at 2% per annum. There are no repayment terms.

The bank borrowings are subject to a personal guarantee by two of the directors.

14. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.