

COMPANY REGISTRATION NUMBER: SC109614

Spey Valley Hire Centre Limited
Filleted Unaudited Financial Statements
31 January 2017



RITSONS
Chartered accountant
103 High Street
ELGIN
IV30 1EB

Spey Valley Hire Centre Limited

Financial Statements

Year ended 31 January 2017

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Spey Valley Hire Centre Limited

Officers and Professional Advisers

The board of directors

Mr B F MacDonald
Mr J A Kirk

Company secretary

Mr J A Kirk

Registered office

Myrtlefield
Aviemore
Inverness-shire
PH22 1SB

Accountants

Ritsons
Chartered accountant
103 High Street
ELGIN
IV30 1EB

Solicitors

Murchison Law
5 Ardross Terrace
Inverness
IV3 5NQ

Spey Valley Hire Centre Limited

Statement of Financial Position

31 January 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	4,360,892	3,167,827
Investments	5	5,000	5,000
		<u>4,365,892</u>	<u>3,172,827</u>
Current assets			
Stocks		312,687	313,700
Debtors	6	289,792	228,381
Cash at bank and in hand		600	142,000
		<u>603,079</u>	<u>684,081</u>
Creditors: amounts falling due within one year	7	<u>515,839</u>	<u>346,701</u>
Net current assets		<u>87,240</u>	<u>337,380</u>
Total assets less current liabilities		<u>4,453,132</u>	<u>3,510,207</u>
Creditors: amounts falling due after more than one year	8	827,019	161,359
Provisions			
Taxation including deferred tax		102,684	119,965
Net assets		<u>3,523,429</u>	<u>3,228,883</u>

The statement of financial position
continues on the following page.

The notes on pages 4 to 10 form part of these financial statements.

Spey Valley Hire Centre Limited

Statement of Financial Position *(continued)*

31 January 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		33,600	33,600
Revaluation reserve		768,689	776,869
Profit and loss account		2,721,140	2,418,414
Members funds		<u>3,523,429</u>	<u>3,228,883</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'.

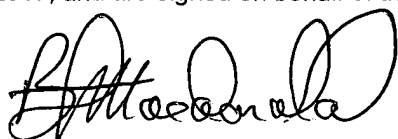
In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 31 January 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 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.

These financial statements were approved by the board of directors and authorised for issue on 7 July 2017, and are signed on behalf of the board by:



Mr B F MacDonald
Director

Company registration number: SC109614

The notes on pages 4 to 10 form part of these financial statements.

Spey Valley Hire Centre Limited

Notes to the Financial Statements

Year ended 31 January 2017

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Myrtlefield, Aviemore, Inverness-shire, PH22 1SB.

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'.

Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 February 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

Revenue recognition

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

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.

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.

Spey Valley Hire Centre Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

2. Accounting policies *(continued)*

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.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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:

Heritable Property	- 2% straight line
Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Computer Equipment	- 20% straight line

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments

Investments are measured at fair value with changes in fair value being recognised in the income statement. Deferred tax is recognised where appropriate on these gains at the rate expected to apply when the investment is sold.

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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Spey Valley Hire Centre Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

2. Accounting policies *(continued)*

Finance leases and hire purchase contracts *(continued)*

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

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.

3. Employee numbers

The average number of persons employed by the company during the year amounted to 23 (2016: 22).

4. Tangible assets

	Freehold property £	Investment Property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 Feb 2016	2,255,932	843,771	223,345	177,482	230,153	3,730,683
Additions	543,417	749,001	–	6,097	–	1,298,515
Disposals	–	–	(15,000)	–	(20,900)	(35,900)
At 31 Jan 2017	2,799,349	1,592,772	208,345	183,579	209,253	4,993,298
Depreciation						
At 1 Feb 2016	178,767	–	112,148	123,006	148,935	562,856
Charge for the year	52,050	–	16,210	10,710	19,375	98,345
Disposals	–	–	(11,614)	–	(17,181)	(28,795)
At 31 Jan 2017	230,817	–	116,744	133,716	151,129	632,406
Carrying amount						
At 31 Jan 2017	2,568,532	1,592,772	91,601	49,863	58,124	4,360,892
At 31 Jan 2016	2,077,165	843,771	111,197	54,476	81,218	3,167,827

Spey Valley Hire Centre Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

4. Tangible assets *(continued)*

Included within the above is investment property as follows:

	£
At 1 February 2016	843,771
Additions	749,001
At 31 January 2017	<u>1,592,772</u>

Investment Property includes Units 16A, 19 and 20 Dalfaber together with Unit 3 Dalfaber. The land at Plot 20 was revalued 19 June 2014 at £85,000. Further land costing £62,296 was purchased for development at Dalfaber during the year to 31 January 2016. The remaining properties were revalued as at 31 January 2016 by the directors, based on their view as to the market value and the economic climate. Development costs of £749,001 were incurred in the year ended 31 January 2017.

It is the directors' judgement that the fair value has not significantly changed since the prior financial period and so the valuation is unchanged.

Tangible assets held at valuation

Freehold Property consists of Retail Units 1, 2 and 3 Myrtlefield along with Units 1 and 16 to 18 Dalfaber. Units 1, 2 and 3 Myrtlefield were revalued in June 2014: Units 1 and 2 were valued at £430,000 while Unit 3 was valued at £520,000.

The land and building at Unit 1 Dalfaber was revalued at £645,000 on 18 February 2013.

Units 16 to 18 at Dalfaber were valued at £460,000 on 29 May 2013. Additional costs in the amount of £22,881 were incurred in the year to 31 January 2015, £173,938 in the year to 31 January 2016 and £543,417 in this current year, in respect of the redevelopment of Units 16 to 18.

The directors are confident that the carrying values of these properties would not differ materially from what it would be were they to be valued on a fair basis at 31 January 2017.

Spey Valley Hire Centre Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

4. Tangible assets *(continued)*

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property £
At 31 January 2017	
Aggregate cost	2,298,234
Aggregate depreciation	(424,591)
Carrying value	<u>1,873,643</u>
At 31 January 2016	
Aggregate cost	1,754,818
Aggregate depreciation	(380,721)
Carrying value	<u>1,374,097</u>

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:

	Plant and machinery £
At 31 January 2017	<u>-</u>
At 31 January 2016	<u>28,034</u>

5. Investments

	Other investments other than loans £
Cost	
At 1 February 2016 and 31 January 2017	<u>5,000</u>
Impairment	
At 1 February 2016 and 31 January 2017	<u>-</u>
Carrying amount	
At 31 January 2017	<u>5,000</u>

Spey Valley Hire Centre Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

5. Investments *(continued)*

Investments held at valuation

Included within Fixed Asset Investments is £5,000 in respect of shares in Home Hardware Direct; a buying group. The value of these shares would not differ significantly were they to be valued on a fair basis.

In respect of investments held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Other investments other than loans £
At 31 January 2017	
Aggregate cost	5,000
Aggregate depreciation	—
Carrying value	5,000
At 31 January 2016	
Aggregate cost	5,000
Aggregate depreciation	—
Carrying value	5,000

6. Debtors

	2017 £	2016 £
Trade debtors	275,247	215,504
Other debtors	14,545	12,877
	289,792	228,381

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	130,759	29,113
Trade creditors	257,972	160,380
Corporation tax	72,497	74,775
Social security and other taxes	28,495	36,599
Other creditors	26,116	45,834
	515,839	346,701

Spey Valley Hire Centre Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

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

	2017	2016
	£	£
Bank loans and overdrafts	<u>827,019</u>	<u>161,359</u>

Included within creditors: amounts falling due after more than one year is an amount of £544,952 (2016: £44,906) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The amounts due over 5 years represents the balances outstanding on two bank loans. These loans are being repaid on a monthly basis at an interest rate of 3%.

9. Related party transactions

Dividends of £10,000 (£33,600 2016) were paid to the directors during the year.

No further transactions were undertaken such as require to be disclosed.

10. Transition to FRS 102

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

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

Spey Valley Hire Centre Limited

Management Information

Year ended 31 January 2017

The following pages do not form part of the financial statements.

Spey Valley Hire Centre Limited

Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Spey Valley Hire Centre Limited

Year ended 31 January 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Spey Valley Hire Centre Limited for the year ended 31 January 2017, which comprise the statement of financial position 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 www.icas.com/accountspreparationguidance.

This report is made solely to the Board of Directors of Spey Valley Hire Centre Limited, as a body, in accordance with the terms of our engagement letter dated 2 August 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Spey Valley Hire Centre Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Spey Valley Hire Centre Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Spey Valley Hire Centre 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 Spey Valley Hire Centre Limited. You consider that Spey Valley Hire Centre 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 Spey Valley Hire Centre 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.



RITSONS
Chartered accountant

103 High Street
ELGIN
IV30 1EB

27 October '17