

Company Registration No. SC194613 (Scotland)

ADAM PURVES GALASHIELS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012

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ADAM PURVES GALASHIELS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Abbreviated profit and loss account	4
Abbreviated statement of total recognised gains and losses	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the abbreviated accounts	9 - 19

ADAM PURVES GALASHIELS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and financial statements for the year ended 31 March 2012.

Principal activities and review of the business

The principal activities of the company continue to be those of motor garage operators including forecourts, shops, car wash facilities, selling new and used vehicles, servicing, parts and repairs. It also operates a retail outlet selling gift ware and antiques.

The company operate as Mitsubishi and Hyundai motor dealers at Tweedbank, Galashiels where the sales and service facilities are located. During the year the Hyundai franchise ceased .

The Whole Lot gift shop is located in Melrose.

The company operated four Shell service stations in the Scottish Borders and Lothians area.

The net profit after providing for taxation amounted to £46,998 (2011 - £11,927).

A review of the operations of the company during the financial year and the results of those operations are as follows:

Turnover has decreased by 23% with the gross profit increasing by 1% from 2011.

This was mainly due to a reduction in fuel and shop sales at the various Shell sites amounting to 18% and 47% respectively after the company ceased operating various Shell sites. Vehicle sales and related income increased by 4% from 2011. The Whole Lot showed a reduction in turnover of 6% from 2011 which is a general trend in the retail sector due to the current economic climate.

The direct cost of sales and wages have decreased by 24% and administrative costs have decreased by 8% from 2011. This has resulted in an increase in the overall profit before taxation of £52,187 from £20,829 in 2011 to £73,016 in 2012 as shown on page 5.

The principal risks and uncertainties facing the company relate to the margin achievable on fuel sales which is greatly influenced by the pricing of the supermarket groups who operate with much smaller margins due to the scale of their operations. Also the company have made significant investments in support of the Mitsubishi Motors franchise and progress in this part of the business is very dependent upon the vehicle manufacturers continuing to provide vehicles which are attractive to customers and which will sell in significant numbers.

At the year end date the net reserves have increased by £896,574 from £1,691,499 to £2,588,073 as shown at 31 March 2012. This was mainly due to the revaluation of the properties during the year resulting in the revaluation reserve of £862,363 as at 31 March 2012.

Results and dividends

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

An interim ordinary dividend was paid amounting to £22,040. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 April 2011:

Ian E Purves
Margaret O Purves
Andrew A Purves

ADAM PURVES GALASHIELS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

Hogg & Thorburn are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

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

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

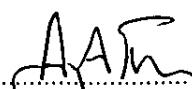
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Statement of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board


.....
Angus A Towers
Secretary
2-11-2012
.....

ADAM PURVES GALASHIELS LIMITED

INDEPENDENT AUDITORS' REPORT TO ADAM PURVES GALASHIELS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 19, together with the financial statements of Adam Purves Galashiels Limited for the year ended 31 March 2012 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 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 auditors' 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and 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.

We conducted our work in accordance with Bulletin 2008/4 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 the regulations made under that section.

Andrew Wayness

Andrew Wayness (Senior Statutory Auditor)
for and on behalf of Hogg & Thorburn

27-11-2012

Chartered Accountants
Statutory Auditor

Moat House
14 Gala Park
GALASHIELS
Scottish Borders
TD1 1EX

ADAM PURVES GALASHIELS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Turnover		15,720,284	20,422,583
Other operating income less cost of sales		(14,756,260)	(19,434,366)
Administrative expenses		(864,904)	(938,551)
Operating profit	2	99,120	49,666
Other interest receivable and similar income		86	114
Interest payable and similar charges	4	(26,190)	(28,951)
Profit on ordinary activities before taxation		73,016	20,829
Tax on profit on ordinary activities	5	(26,018)	(8,902)
Profit for the year	15	46,998	11,927

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ADAM PURVES GALASHIELS LIMITED

ABBREVIATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Profit for the financial year		46,998	11,927
Unrealised surplus on revaluation of properties		871,616	-
Total recognised gains and losses relating to the year		918,614	11,927

Note of historical cost profits and losses

	2012 £	2011 £
Reported profit on ordinary activities before taxation	73,016	20,829
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	9,253	-
Historical cost profit on ordinary activities before taxation	82,269	20,829
Historical cost profit/(loss) for the year retained after taxation, extraordinary items and dividends	34,211	(10,113)

ADAM PURVES GALASHIELS LIMITED

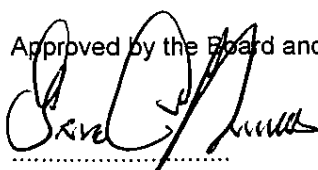
ABBREVIATED BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	7		2,379,965		1,582,881
Current assets					
Stocks	8	836,630		986,255	
Debtors	9	343,657		380,241	
Cash at bank and in hand		252,328		348,456	
		<u>1,432,615</u>		<u>1,714,952</u>	
Creditors: amounts falling due within one year	10	<u>(824,911)</u>		<u>(1,162,797)</u>	
Net current assets			<u>607,704</u>		<u>552,155</u>
Total assets less current liabilities			<u>2,987,669</u>		<u>2,135,036</u>
Creditors: amounts falling due after more than one year	11		<u>(393,904)</u>		<u>(435,055)</u>
Provisions for liabilities	12				
Deferred tax liability			<u>(5,692)</u>		<u>(8,482)</u>
			<u>2,588,073</u>		<u>1,691,499</u>
Capital and reserves					
Called up share capital	14		408,140		408,140
Share premium account	15		127,451		127,451
Revaluation reserve	15		862,363		-
Other reserves	15		91,860		91,860
Profit and loss account	15		1,098,259		1,064,048
Shareholders' funds	16		<u>2,588,073</u>		<u>1,691,499</u>

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

Approved by the Board and authorised for issue on 20/11/12



Ian E Purves
Director

Company Registration No. SC194613

ADAM PURVES GALASHIELS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

	£	2012 £	£	2011 £
Net cash inflow from operating activities		9,824		201,108
Returns on investments and servicing of finance				
Interest received	86		114	
Interest paid	(26,190)		(28,951)	
Net cash outflow for returns on investments and servicing of finance		(26,104)		(28,837)
Taxation		(13,426)		(27,585)
Capital expenditure				
Payments to acquire tangible assets	(9,200)		(19,070)	
Receipts from sales of tangible assets	5,050		3,800	
Net cash outflow for capital expenditure		(4,150)		(15,270)
Equity dividends paid		(22,040)		(22,040)
Net cash (outflow)/inflow before management of liquid resources and financing		(55,896)		107,376
Financing				
Repayment of long term bank loan	(40,232)		(39,313)	
Repayment of other long term loans	-		(2,938)	
Net cash outflow from financing		(40,232)		(42,251)
(Decrease)/increase in cash in the year		(96,128)		65,125

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

1	Reconciliation of operating profit to net cash inflow from operating activities	2012		2011	
		£		£	
	Operating profit	99,120		49,666	
	Depreciation of tangible assets	79,017		76,798	
	Profit on disposal of tangible assets	(335)		(566)	
	Decrease/(increase) in stocks	149,625		(97,568)	
	Decrease in debtors	36,584		25,437	
	(Decrease)/Increase in creditors within one year	(354,187)		147,341	
	Net cash inflow from operating activities	9,824		201,108	
2	Analysis of net debt	1 April 2011	Cash flow	Other non-cash changes	31 March 2012
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	348,456	(96,128)	-	252,328
	Bank deposits	-	-	-	-
	Debt:				
	Debts falling due within one year	(39,313)	(919)	-	(40,232)
	Debts falling due after one year	(435,055)	41,151	-	(393,904)
		(474,368)	40,232	-	(434,136)
	Net debt	(125,912)	(55,896)	-	(181,808)
3	Reconciliation of net cash flow to movement in net debt	2012		2011	
		£		£	
	(Decrease)/increase in cash in the year	(96,128)		65,125	
	Cash outflow from decrease in debt	40,232		42,250	
	Movement in net debt in the year	(55,896)		107,375	
	Opening net debt	(125,912)		(233,287)	
	Closing net debt	(181,808)		(125,912)	

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents the sale of fuel, fuel commission at the Shell sites and forecourt shop sales; new and used vehicle sales; servicing, parts and repairs; car wash sales; antique and gift sales all net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Straight line basis over 50 years
Land and buildings Leasehold	Straight line basis over the period of the lease
Plant and machinery	10% - 25% straight line

1.5 Stock

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

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.7 Deferred taxation

Deferred tax is provided in full in respect of timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

2	Operating profit	2012 £	2011 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	79,017	76,798
	Auditors' remuneration (including expenses and benefits in kind)	4,000	4,000
	and after crediting:		
	Profit on disposal of tangible assets	(335)	(566)

Other operating income comprises rental income of £76,779 (2011 - £78,356).

3	Investment income	2012 £	2011 £
	Bank interest	86	114
		<u>86</u>	<u>114</u>

4	Interest payable	2012 £	2011 £
	On bank loans and overdrafts	190	27
	On loans repayable after five years	10,328	11,240
	Other interest	15,672	17,684
		<u>26,190</u>	<u>28,951</u>

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U.K. corporation tax	28,538	13,156
	Adjustment for prior years	270	-
	Total current tax	<u>28,808</u>	<u>13,156</u>
	Deferred tax		
	Deferred tax charge/credit current year	(2,790)	(4,254)
		<u>26,018</u>	<u>8,902</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>73,016</u>	<u>20,829</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 21.00%)	<u>14,603</u>	<u>4,374</u>
	Effects of:		
	Depreciation add back	15,803	16,128
	Capital allowances	(3,801)	(7,119)
	Adjustments to previous periods	270	-
	Other tax adjustments	1,933	(227)
		<u>14,205</u>	<u>8,782</u>
	Current tax charge for the year	<u>28,808</u>	<u>13,156</u>
6	Dividends	2012 £	2011 £
	Ordinary interim paid	<u>22,040</u>	<u>22,040</u>

During the year the company paid interim ordinary dividends to the shareholders of the company.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

7 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2011	1,674,876	12,925	432,829	2,120,630
Additions	-	-	9,200	9,200
Revaluation	672,124	-	-	672,124
Disposals	-	-	(14,254)	(14,254)
At 31 March 2012	2,347,000	12,925	427,775	2,787,700
Depreciation				
At 1 April 2011	199,492	903	337,354	537,749
Revaluation	(199,492)	-	-	(199,492)
On disposals	-	-	(9,539)	(9,539)
Charge for the year	46,940	129	31,948	79,017
At 31 March 2012	46,940	1,032	359,763	407,735
Net book value				
At 31 March 2012	2,300,060	11,893	68,012	2,379,965
At 31 March 2011	1,475,384	12,022	95,475	1,582,881

The freehold land and buildings were valued on an open market basis by Ryden LLP a firm of independent Chartered Surveyors.

If these properties were sold for their revalued amounts it would be necessary to replace them with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

7 Tangible fixed assets (continued)

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 April 2011 & at 31 March 2012	1,674,876
Depreciation based on cost	
At 1 April 2011	199,492
Charge for the year	37,487
At 31 March 2012	236,979
Net book value	
At 31 March 2012	1,437,897
At 31 March 2011	1,475,384

8 Stocks	2012 £	2011 £
Finished goods and goods for resale	836,630	986,255

9 Debtors	2012 £	2011 £
Trade debtors	213,253	236,718
Other debtors	123,687	131,480
Prepayments and accrued income	6,717	12,043
	343,657	380,241

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

10 Creditors: amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	40,232	39,313
Trade creditors	416,014	418,712
Corporation tax	28,538	13,156
Other taxes and social security costs	110,046	105,578
Other creditors	191,278	247,458
Accruals and deferred income	38,803	338,580
	<u>824,911</u>	<u>1,162,797</u>

The bank loans and overdraft are secured by standard securities and a bond and floating charge over the assets of the company.

The company has provided bank guarantees for Shell UK Oil Products Limited for £75,000 for the cluster sites dated 27 September 2011 together with a guarantee for £100,000 dated August 2007 which covers the fuel supplies for the company's own site at Wilderhaugh, Galashiels.

Included in other creditors are loans from the Colt Car Company amounting to £191,278 (2011 - £84,489) and Hyundai UK Limited of £0 (2011 - £162,969) relating to consignment stock of new vehicles.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

11 Creditors: amounts falling due after more than one year	2012 £	2011 £
Bank loans	384,602	425,753
Other loans	9,302	9,302
	<u>393,904</u>	<u>435,055</u>
Analysis of loans		
Not wholly repayable within five years other than by instalments:		
Director's loan	9,302	9,302
Wholly repayable within five years	424,834	465,066
	<u>434,136</u>	<u>474,368</u>
Included in current liabilities	(40,232)	(39,313)
	<u>393,904</u>	<u>435,055</u>
Loan maturity analysis		
In more than one year but not more than two years	49,534	48,615
In more than two years but not more than five years	120,694	117,940
In more than five years	223,677	268,500
	<u>393,904</u>	<u>435,055</u>

The bank loans and overdraft are secured by standard securities and a bond and floating charge over the assets of the company.

Included in creditors is an amount of £9,302 (2011 - £9,302) due to Andrew A Purves a director of the company. This loan is interest free and has no fixed terms for repayment.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2011	8,482
Profit and loss account	(2,790)
	<u>5,692</u>
Balance at 31 March 2012	<u>5,692</u>

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	<u>5,692</u>	<u>8,482</u>

13 Pension and other post-retirement benefit commitments Defined contribution

	2012 £	2011 £
Contributions payable by the company for the year	<u>1,800</u>	<u>30,000</u>

14 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
408,140 Ordinary shares of £1 each	<u>408,140</u>	<u>408,140</u>

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

15 Statement of movements on reserves

	Share premium account £	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2011	127,451	-	91,860	1,064,048
Profit for the year	-	-	-	46,998
Dividends paid	-	-	-	(22,040)
Revaluation during the year	-	871,616	-	-
Depreciation written back	-	(9,253)	-	9,253
Balance at 31 March 2012	<u>127,451</u>	<u>862,363</u>	<u>91,860</u>	<u>1,098,259</u>

Other reserves

Capital redemption reserve

Balance at 1 April 2011 & at 31 March 2012

91,860

16 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	46,998	11,927
Dividends	(22,040)	(22,040)
	<u>24,958</u>	<u>(10,113)</u>
Other recognised gains and losses	871,616	-
Net addition to/(depletion in) shareholders' funds	<u>896,574</u>	<u>(10,113)</u>
Opening shareholders' funds	1,691,499	1,701,612
Closing shareholders' funds	<u>2,588,073</u>	<u>1,691,499</u>

17 Directors' remuneration

	2012 £	2011 £
Remuneration for qualifying services	62,211	61,995
Company pension contributions to defined contribution schemes	1,800	30,000
	<u>64,011</u>	<u>91,995</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 2).

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2012 Number	2011 Number
Administration	5	5
Forecourts	64	128
Vehicle servicing and repairs	7	9
Vehicle sales	5	5
The Whole Lot	4	5
Management	3	3
	<u>88</u>	<u>155</u>

Employment costs

	2012 £	2011 £
Wages and salaries	1,043,126	1,532,669
Social security costs	81,913	96,861
Other pension costs	1,800	30,000
	<u>1,126,839</u>	<u>1,659,530</u>

19 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

20 Related party relationships and transactions

Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below:

	2012	2011
	£	£
Ian E Purves	13,289	13,289
Margaret O Purves	8,751	8,751
Andrew A Purves	-	-
	<u>22,040</u>	<u>22,040</u>

Other transactions

During the year the company were charged £6,317 (2011 - £32,325) for book-keeping and consultancy services provided by Andy Purves Limited. There was £912 outstanding at the year end date. Andrew A Purves is a director of both companies.

During the year the company rented office space to Andy Purves Limited at St Dunstons, Melrose for £5,400 (2011 - £5,400).