

ADAM PURVES GALASHIELS LIMITED
ANNUAL REPORT AND ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
PAGES FOR FILING WITH REGISTRAR



ADAM PURVES GALASHIELS LIMITED

COMPANY INFORMATION

Directors	Ian E Purves Andrew A Purves
Secretary	Angus A Towers
Company number	SC194613
Registered office	Wilderhaugh Galashiels Scottish Borders TD1 1PW
Auditor	Hogg & Thorburn Moat House 14 Gala Park GALASHIELS Scottish Borders TD1 1EX
Business address	Wilderhaugh Galashiels Scottish Borders TD1 1PW

ADAM PURVES GALASHIELS LIMITED

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ADAM PURVES GALASHIELS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present the strategic report for the year ended 31 March 2016.

Fair review of the business

Business Review

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end.

Our review is consistent with the size and non-complex nature of our business and is written in context of the risks and uncertainties we face.

As a Mitsubishi dealer, the company continues to deal in new and used motor vehicles and provides vehicle servicing and repairs for Mitsubishi vehicles and others.

The company's activities are organised into the following 5 divisions:

- Sales of new and used vehicles
- Servicing and repairs
- Forecourt and shop (Owned)
- Forecourt and shops (Operators)
- Rental properties

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross margin and return on capital employed.

The net profit/(loss) after providing for taxation amounted to £462,047 (2015 - £114,378)).

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

The former petrol station and grounds at St Dunstons House, Melrose were disposed to a related company, Adam Purves Estates Ltd, for redevelopment. The residential properties at Wilderhaugh, Galashiels were also disposed to the same company. This has resulted in a gain on disposal of £414,341.

Turnover has decreased by 9.2%.

The Melrose Antique Centre closed at the end of August 2015 due to the disposal of the above property. This accounts for 1.20% of the decrease in turnover.

The four sites operated for Shell were sold during the year. Two of the sites sold to Motor Fuel Ltd, Easthouses and Jedburgh, continued to be operated by the company. this has had an impact on shop sales. Shop sales have also been negatively impacted by the tobacco sales "going dark".

Fuel sales dropped by 11%, due to a 12% drop in price, with a slight increase in volumes.

Vehicle sales have increased by 8%. This has been driven by a 19% increase in new car sales volumes, whilst second hand volumes have dipped, resulting in a 2% decrease in volumes overall.

Vehicle margins have been squeezed, together with the closure of higher margin antique sales, resulted in a drop in the overall margin from 6.40% to 5.60%.

The direct costs of sales and wages have decreased by 8.4% and administrative costs have decreased by 11.40% from 2015.

ADAM PURVES GALASHIELS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

The overall profit before taxation after the exceptional gain on disposal of £414,341 has decreased from £154,739 to £72,113.

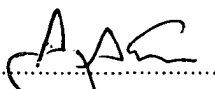
Principal risks and uncertainties

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 has made a significant investment in support of the Mitsubishi Motors franchise and progress in this part of the business is very dependent upon Mitsubishi continuing to provide vehicles which are attractive to customers and which will sell in significant numbers.

Development and performance

At the year end date the net reserves have decreased by £531 from £2,608,528 to £2,607,997.

By order of the board


.....
Angus A Towers
Secretary

.....
29/10/16

ADAM PURVES GALASHIELS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their annual report and financial statements for the year ended 31 March 2016.

Principal activities

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.

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

Melrose Antique Centre operated in Melrose until 31 August 2015 when it closed down.

The company operated four Shell service stations in the Scottish Borders and Lothians area for the majority of the year. There were only two sites remaining by the year end.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ian E Purves

Andrew A Purves

Results and dividends

The results for the year are set out on page 7.

There were interim ordinary dividends paid during the year amounting to £47,000.

Financial risk management objectives and policies

The company makes little use of financial instruments other than operational bank accounts and so its exposure to price risk, credit risk and cashflow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Post reporting date events

The company has terminated the contracts for operating the sites at Jedburgh and Easthouses with Motor Fuel Limited during June 2016.

Future developments

In April 2016 the company opened a convenience store at Tweed Road, Galashiels.

ADAM PURVES GALASHIELS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Auditor

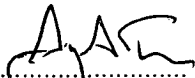
The auditor, Hogg & Thorburn, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

(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

.....
29/10/16

ADAM PURVES GALASHIELS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2016

The directors are responsible for preparing the annual 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.

ADAM PURVES GALASHIELS LIMITED

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

We have examined the abbreviated accounts set out on pages 7 to 26, together with the financial statements of Adam Purves Galashiels Limited for the year ended 31 March 2016 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 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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.



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

8.11.2016

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 2016

	Notes	2016 £	2015 £
Turnover	3	12,059,519	13,282,495
Other operating income and cost of sales		(11,296,416)	(12,338,662)
Administrative expenses		(676,616)	(766,088)
Profit/(loss) on disposal of tangible assets	4	414,341	-
Operating profit	5	500,828	177,745
Interest receivable and similar income	8	96	144
Interest payable and similar charges	9	(14,470)	(23,150)
Profit before taxation		486,454	154,739
Taxation	10	(24,407)	(40,361)
Profit for the financial year	25	462,047	114,378

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

ADAM PURVES GALASHIELS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
Profit for the year	462,047	114,378
Other comprehensive income	-	-
Write back of depreciation from revaluation reserve	(29,340)	(17,432)
Total comprehensive income for the year	<u>432,707</u>	<u>96,946</u>

ADAM PURVES GALASHIELS LIMITED

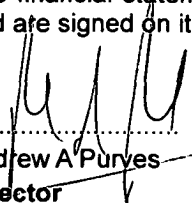
BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	12	1,397,512	2,304,448
Investments	13	44,792	44,792
		<u>1,442,304</u>	<u>2,349,240</u>
Current assets			
Stocks	14	925,477	783,179
Debtors falling due after one year	15	955,666	-
Debtors falling due within one year	15	369,274	344,439
Cash at bank and in hand		26,551	330,446
		<u>2,276,968</u>	<u>1,458,064</u>
Creditors: amounts falling due within one year	16	(753,453)	(769,354)
Net current assets		<u>1,523,515</u>	<u>688,710</u>
Total assets less current liabilities		<u>2,965,819</u>	<u>3,037,950</u>
Creditors: amounts falling due after more than one year	17	(333,131)	(406,137)
Provisions for liabilities	19	(24,691)	(23,285)
Net assets		<u><u>2,607,997</u></u>	<u><u>2,608,528</u></u>
Capital and reserves			
Called up share capital	21	408,143	408,140
Share premium account	22	127,451	127,451
Revaluation reserve	23	365,146	810,067
Capital redemption reserve	24	91,860	91,860
Profit and loss reserves	25	1,615,397	1,171,010
Total equity		<u><u>2,607,997</u></u>	<u><u>2,608,528</u></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.

The financial statements were approved by the board of directors and authorised for issue on 29/10/16 and are signed on its behalf by:


 Andrew A Purves
 Director

Company Registration No. SC194613

ADAM PURVES GALASHIELS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Share capital £	Share premium account £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2014	408,140	127,451	827,499	91,860	1,060,200	2,515,149
Period ended 31 March 2015:						
Profit for the year	-	-	-	-	114,378	114,378
Other comprehensive income:						
Other comprehensive income of associates and jointly controlled entities accounted for using the equity method	-	-	(17,432)	-	-	(17,432)
Total comprehensive income for the year	-	-	(17,432)	-	114,378	96,946
Dividends	-	-	-	-	(21,000)	(21,000)
Transfers	-	-	-	-	17,432	17,432
Balance at 31 March 2015	408,140	127,451	810,067	91,860	1,171,010	2,608,528

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ADAM PURVES GALASHIELDS LIMITED

STATEMENT OF CHANGES IN EQUITY (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

	Share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£	£
Period ended 31 March 2016:						
Profit for the year	-	-	-	-	462,047	462,047
Other comprehensive income:						
Other comprehensive income of associates and jointly controlled entities accounted for using the equity method	-	-	(29,340)	-	-	(29,340)
Total comprehensive income for the year	-	-	(29,340)	-	462,047	432,707
Issue of share capital	21 3	-	-	-	-	3
Dividends	11	-	-	-	(47,000)	(47,000)
Transfers	-	-	-	-	29,340	29,340
Other	-	-	(415,581)	-	-	(415,581)
Balance at 31 March 2016	408,143	127,451	365,146	91,860	1,615,397	2,607,997

ADAM PURVES GALASHIELS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	Notes	£	2016 £	£	2015 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(576,444)		446,256
Interest paid			(14,470)		(23,150)
Income taxes (paid)/refunded			(28,470)		7,008
Net cash (outflow)/inflow from operating activities			(619,384)		430,114
Investing activities					
Purchase of tangible fixed assets		(33,645)		(80,902)	
Proceeds on disposal of tangible fixed assets		467,465		-	
Proceeds on disposal of fixed asset investments		-		(9,155)	
Interest received		96		144	
Net cash generated from/(used in) investing activities			433,916		(89,913)
Financing activities					
Proceeds from issue of shares		3		-	
Repayment of borrowings		(17,421)		(166,404)	
Repayment of bank loans		(54,009)		(45,531)	
Dividends paid		(47,000)		(21,000)	
Net cash used in financing activities			(118,427)		(232,935)
Net (decrease)/increase in cash and cash equivalents			(303,895)		107,266
Cash and cash equivalents at beginning of year			330,446		223,180
Cash and cash equivalents at end of year			26,551		330,446

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

Adam Purves Galashiels Limited is a company limited by shares incorporated in Scotland. The registered office is Wilderhaugh, Galashiels, Scottish Borders, TD1 1PW.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2016 are the first financial statements of Adam Purves Galashiels Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by 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 the gains on revaluing property to its market value as the company does not intend to sell the revalued assets.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (Continued)

1.12 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2016 £	2015 £
Total turnover	12,059,519	13,282,495
Other significant revenue		
Interest income	96	144

4 Exceptional costs/(income)

	2016 £	2015 £
(Profit)/loss on disposal of tangible assets	(414,341)	-

During the year the company has transferred properties at Wilderhaugh, Galashiels and St Dunstons, Melrose at current market values of £220,000 and £650,000 respectively resulting in a gain of £414,341. Also the company transferred a Leasehold property at St Dunstons, Melrose at its net book value of £11,506.

These properties were transferred to Adam Purves Estates Ltd in December 2015. Both of these companies have the same directors.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

5 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	4,000	4,000
Depreciation of owned tangible fixed assets	56,412	70,276
Loss on disposal of tangible fixed assets	1,123	-
Cost of stocks recognised as an expense	10,721,312	11,715,060
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Administration	5	5
Forecourts	48	56
Vehicle servicing and repairs	5	5
Vehicle sales	4	4
Antique Centre	-	1
Management	3	2
	<u> </u>	<u> </u>
	65	73
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	754,955	844,092
Social security costs	43,472	49,291
Pension costs	18,199	17,503
	<u> </u>	<u> </u>
	816,626	910,886
	<u> </u>	<u> </u>

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	20,220	32,498
Company pension contributions to defined contribution schemes	7,200	7,269
	<u>27,420</u>	<u>39,767</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 1).

8 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	96	144
	<u>96</u>	<u>144</u>

9 Interest payable and similar charges

	2016 £	2015 £
Interest on bank overdrafts and loans	3	11
Other interest on financial liabilities	9,567	10,965
Other interest	4,900	12,174
	<u>14,470</u>	<u>23,150</u>

10 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	23,001	28,071
	<u>23,001</u>	<u>28,071</u>
Deferred tax		
Origination and reversal of timing differences	1,406	12,290
	<u>1,406</u>	<u>12,290</u>
Total tax charge	<u>24,407</u>	<u>40,361</u>

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

10 Taxation

(Continued)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation	486,454	154,739
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	97,291	30,948
Tax effect of expenses that are not deductible in determining taxable profit	4,218	-
Gains not taxable	(82,868)	-
Permanent capital allowances in excess of depreciation	(5,940)	14,055
Depreciation on assets not qualifying for tax allowances	11,308	(4,642)
Under/(over) provided in the year	398	-
Tax expense for the year	24,407	40,361

11 Dividends

	2016 per share	2015 per share	2016 £	2015 £
Ordinary shares				
Interim paid	-	21,000.00	-	21,000
A Ordinary shares				
Interim paid	12,000.00	-	12,000	-
B Ordinary shares				
Interim paid	23,000.00	-	23,000	-
C Ordinary shares				
Interim paid	12,000.00	-	12,000	-
Total dividends paid				
Interim paid			47,000	21,000

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

12 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2015	2,347,000	12,925	499,048	2,858,973
Additions	-	-	33,645	33,645
Disposals	(947,000)	(12,925)	(46,513)	(1,006,438)
At 31 March 2016	1,400,000	-	486,180	1,886,180
Depreciation and impairment				
At 1 April 2015	187,760	1,419	365,346	554,525
Depreciation charged in the year	28,000	-	28,412	56,412
Eliminated in respect of disposals	(75,760)	(1,419)	(45,090)	(122,269)
At 31 March 2016	140,000	-	348,668	488,668
Carrying amount				
At 31 March 2016	1,260,000	-	137,512	1,397,512
At 31 March 2015	2,159,240	11,506	133,702	2,304,448

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.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2016 £	2015 £
Cost	1,143,457	1,674,876
Accumulated depreciation	356,352	333,483
Carrying value	787,105	1,341,393

The revaluation surplus is disclosed in note 23.

13 Fixed asset investments

	2016 £	2015 £
Unlisted investments	44,792	44,792

It is the opinion of the directors that these investments are equal to cost.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

13 Fixed asset investments (Continued)

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 April 2015 & 31 March 2016	44,792
Carrying amount	
At 31 March 2016	44,792
At 31 March 2015	44,792

14 Stocks

	2016 £	2015 £
Finished goods and goods for resale	925,477	783,179

15 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	242,807	224,243
Other debtors	116,382	114,657
Prepayments and accrued income	10,085	5,539
	369,274	344,439
Amounts falling due after one year:		
Other debtors	955,666	-
Total debtors	1,324,940	344,439

Included in "other debtors: Amounts falling due after one year" is a balance of £955,666 due to a company, Adam Purves Estates Limited, of which Andrew Purves is a director.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

16 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Bank loans and overdrafts	18	54,774	53,198
Trade creditors		387,535	380,767
Corporation tax		22,603	28,072
Other taxation and social security		14,702	65,730
Other creditors		196,951	100,802
Accruals and deferred income		76,888	140,785
		<u>753,453</u>	<u>769,354</u>

Included in other creditors are loans from the Colt Car Company amounting to £196,951 (2015 - £ 100,802) relating to company stock of new vehicles.

17 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Bank loans and overdrafts	18	304,313	359,898
Other borrowings	18	28,818	46,239
		<u>333,131</u>	<u>406,137</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 £100,000 dated August 2007 which covers the fuel supplies for the company's own site at Wilderhaugh, Galashiels.

On 7 July 2015 the company provided Bonds amounting to £24,000 to Motor Fuel Limited which covers supplies for the sites at Jedburgh and Easthouses.

18 Loans and overdrafts

	2016 £	2015 £
Bank loans	359,087	413,096
Other loans	28,818	46,239
	<u>387,905</u>	<u>459,335</u>
Payable within one year	54,774	53,198
Payable after one year	<u>333,131</u>	<u>406,137</u>

The long-term bank loans are secured by standard securities and a bond and floating charge over the assets of the company which total £359,087 (2015 - £413,096).

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

19 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	24,691	23,285
	<u>24,691</u>	<u>23,285</u>

20 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £18,199 (2015 - £17,503).

21 Share capital

	2016 £	2015 £
Ordinary share capital		
Authorised		
500,000 Ordinary shares of £1 each	500,000	500,000
1 A Ordinary shares of £1 each	1	-
1 B Ordinary shares of £1 each	1	-
1 C Ordinary shares of £1 each	1	-
	<u>500,003</u>	<u>500,000</u>
Issued and fully paid		
408,140 Ordinary shares of £1 each	408,140	408,140
1 A Ordinary shares of £1 each	1	-
1 B Ordinary shares of £1 each	1	-
1 C Ordinary shares of £1 each	1	-
	<u>408,143</u>	<u>408,140</u>

22 Share premium account

	2016 £	2015 £
At beginning and end of year	<u>127,451</u>	<u>127,451</u>

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

23 Revaluation reserve

	2016 £	2015 £
At beginning of year	810,067	827,499
Share of other comprehensive income of associate	(29,340)	(17,432)
Other movements	(415,581)	-
At end of year	<u>365,146</u>	<u>810,067</u>

24 Capital redemption reserve

	2016 £	2015 £
At beginning and end of year	<u>91,860</u>	<u>91,860</u>

25 Profit and loss reserves

	2016 £	2015 £
At the beginning of the year	1,171,010	1,060,200
Profit for the year	462,047	114,378
Dividends	(47,000)	(21,000)
Transfer from revaluation reserve	29,340	17,432
At the end of the year	<u>1,615,397</u>	<u>1,171,010</u>

26 Related party transactions

During the year the company provided services amounting to £468 (2015 - £2,207) to Andy Purves Limited and there was £300 (2015 - £1,749) 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 £1,880 (2015 - £9,210).

27 Events after the reporting date

The company has terminated the contracts for operating the sites at Jedburgh and Easthouses with Motor Fuel Limited during June 2016.

28 Controlling party

The ultimate controlling party is the director Andrew A Purves who is the controlling shareholder of APGL Holdings Ltd the parent company of Adam Purves Galashiels Limited.

ADAM PURVES GALASHIELS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

29 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	462,047	114,378
Adjustments for:		
Taxation charged	24,407	40,361
Finance costs	14,470	23,150
Investment income	(96)	(144)
Loss on disposal of tangible fixed assets	1,123	-
Depreciation and impairment of tangible fixed assets	56,412	70,276
Movements in working capital:		
(Increase)/decrease in stocks	(142,298)	45,670
(Increase)/decrease in debtors	(980,501)	72,701
(Decrease)/increase in creditors	(12,008)	79,864
Cash (absorbed by)/generated from operations	(576,444)	446,256