Company Registration No. SC194613 (Scotland)

ADAM PURVES GALASHIELS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

PAGES FOR FILING WITH REGISTRAR

ADAM PURVES GALASHIELS LIMITED

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ADAM PURVES GALASHIELS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	£	2018 £	£	2017 £
Non-current assets					
Property, plant and equipment	3		959,390		1,000,938
Investment properties	4		699,740		569,240
Investments	5		52,728		45,792
			1,711,858		1,615,970
Current assets					
Inventories		1,177,277		898,750	
Trade and other receivables falling due after more than one year	6	945,463		977,381	
Trade and other receivables falling due within one year	6	280,065		293,379	
Cash and cash equivalents		60,943		75,123	
		2,463,748		2,244,633	
Current liabilities	7	(889,776)		(726,540)	
Net current assets			1,573,972		1,518,093
Total assets less current liabilities			3,285,830		3,134,063
Non-current liabilities	8		(217,333)		(258,611)
Provisions for liabilities			(72,921)		(55,280)
Net assets			2,995,576		2,820,172
Equity					
Called up share capital	9		408,143		408,143
Share premium account			127,451		127,451
Revaluation reserve	10		304,700		304,700
Capital redemption reserve			91,860		91,860
Retained earnings			2,063,422		1,888,018
Total equity			2,995,576		2,820,172

ADAM PURVES GALASHIELS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2018

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 12 October 2018 and are signed on its behalf by:

Andrew A Purves
Director

Company Registration No. SC194613

1 Accounting policies

Company information

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

1.1 Accounting convention

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 the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under 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.

1.2 Revenue

Revenue 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; other shop sales all net of value added tax and trade discounts.

Revenue from the sale of fuel, shop sales and vehicle sales 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.

Revenue from vehicle repairs and services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Other income represents rentals received from properties owned by the company.

1.3 Property, plant and equipment

Property, plant and equipment 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
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 **Accounting policies** **(Continued)**

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.5 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Inventories

Inventories 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 inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and 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 inventories 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 are basic financial assets and 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.

1 **Accounting policies** **(Continued)**

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

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

Basic financial liabilities, including trade and other payables, 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 payments 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 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.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

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

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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 non-current 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.

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

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 Employees

The average monthly number of persons (including directors) employed by the company during the year was 39 (2017 - 40).

3 **Property, plant and equipment**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 April 2017	983,500	515,188	1,498,688
Additions	-	26,443	26,443
Disposals	-	(11,389)	(11,389)
At 31 March 2018	983,500	530,242	1,513,742
Depreciation and impairment			
At 1 April 2017	118,020	379,730	497,750
Depreciation charged in the year	19,670	48,321	67,991
Eliminated in respect of disposals	-	(11,389)	(11,389)
At 31 March 2018	137,690	416,662	554,352
Carrying amount			
At 31 March 2018	845,810	113,580	959,390
At 31 March 2017	865,480	135,458	1,000,938

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:

	2018	2017
	£	£
Cost	855,149	855,149
Accumulated depreciation	(390,558)	(373,455)
Carrying value	464,591	481,694

The revaluation surplus is disclosed in note 11.

Freehold land and buildings with a carrying amount of £845,810 (2017 - £865,480) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

4 Investment property

	2018
	£
Fair value	
At 1 April 2017	569,240
Revaluations	130,500
At 31 March 2018	699,740

Investment property comprises of rental units at Wilderhaugh and Tweedbank in Galashiels. The fair value of the investment properties has been arrived at on the basis of a valuation carried out by Ryden LLP Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties available to rent within the area together with the directors' opinion.

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

	2018	2017
	£	£
Cost	288,308	288,308
Accumulated depreciation	-	-
Carrying amount	288,308	288,308

5 Fixed asset investments

	2018	2017
	£	£
Investments	52,728	45,792

6 Trade and other receivables

	2018	2017
Amounts falling due within one year:	£	£
Trade receivables	127,440	154,189
Other receivables	152,625	139,190
	280,065	293,379
Amounts falling due after more than one year:		
Other receivables	945,463	977,381
Total debtors	1,225,528	1,270,760

6 Trade and other receivables (Continued)

Included in "Other receivables: Amounts falling due after one year" is a balance of £945,463 (2017 - £977,381).

This is due to a company, Adam Purves Estates Limited, of which Andrew A Purves and Ian E Purves are directors. During the year the company charged interest on this loan amounting to £18,550.

7 Current liabilities

	2018	2017
	£	£
Bank loans and overdrafts	255,734	71,497
Trade payables	261,237	244,655
Corporation tax	25,358	20,010
Other taxation and social security	16,294	50,570
Other payables	331,153	339,808
	889,776	726,540

8 Non-current liabilities

	2018	2017
	£	£
Bank loans and overdrafts	217,333	247,213
Other payables	-	11,398
	217,333	258,611

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.

9 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
408,140 Ordinary shares of £1 each	408,140	408,140
1 A Ordinary shares of £1 each	1	1
1 B Ordinary shares of £1 each	1	1
1 C Ordinary shares of £1 each	1	1
	408,143	408,143

10 Revaluation reserve

10 Revaluation reserve (Continued)

	2018	2017
	£	£
At beginning of year	304,700	365,146
Share of other comprehensive income of associate	-	67,746
Other movements	-	(128,192)
At end of year	304,700	304,700

11 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for two properties. The leases are negotiated for an average of 2 to 7 years and rentals are fixed for 2 years with an option to extend for a further 2 to 5 years at the prevailing market rate that is agreed.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
23,691	28,186

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

2018	2017
£	£
310,353	258,585

12 Related party transactions

Transactions with related parties

During the year Andy Purves Limited provided services amounting to £5,000 (2017 - £4,800) to the company and there was £5,000 (2017 - £5,760) outstanding at the year end date.

During the year the company provided a loan to The Edinburgh Table Company Limited amounting to £51,702. This loan is interest free with no fixed repayment terms. The loan is repayable in full on the repayment date of 31 January 2021. The loan is repayable on demand in the event that default occurs.

Andrew A Purves is a director of both of these companies.

13 Parent company

The company is a subsidiary undertaking and is wholly owned by APGL Holdings Limited.

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.

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