

Strategic Report, Report of the Directors and

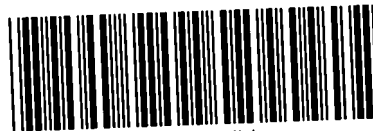
Audited Financial Statements

for the Year Ended 31 December 2016

for

Jarvie Plant Limited

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for the Year Ended 31 December 2016

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Jarvie Plant Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

J Jarvie
G Jarvie
S Granton
J A D Jarvie

SECRETARY:

S Granton

REGISTERED OFFICE:

Dalgrain Industrial Estate
Dalgrain Road
Grangemouth
FK3 8ET

REGISTERED NUMBER:

SC313751 (Scotland)

SENIOR STATUTORY AUDITOR:

David Yates BA CA

AUDITORS:

Yates Business Solutions Ltd
Chartered Accountants
Registered Auditor
Unit 4B Gateway Bus Park
Grangemouth
Central
FK3 8WX

BANKERS:

The Royal Bank Of Scotland plc
2 La Porte Precinct
Grangemouth
FK3 8AS

SOLICITORS:

Burness Paull
50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

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

REVIEW OF BUSINESS

We aim to provide a balanced and comprehensive review of our business during the year and the position of the company at the year-end.

In doing so, we consider our key performance indicators to be turnover, operating profit and return on capital employed.

The business produced steady growth in the year and the financial results are in line with expectations.

Turnover continues to grow, increasing by 13.36% in the year, continuing an upward trend in the previous three years. The directors consider this growth excellent in the current climate, particularly as it has been achieved with an increase in gross profit margin. Operating profit has decreased in the year by 29.62% due to increased overhead charges and reduced gains on sale of assets..

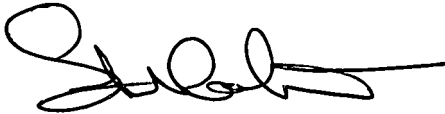
Return on Capital employed has decreased in the current year to 8.59% (down from 11.82% in 2015).

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that in the current economic climate, the principal risk remains that of bad debts. This is managed through a combination of credit insurance, tight credit controls and the active pursuit of defaulters through all legal channels.

Jarvie Plant Limited continues to grow steadily and consolidation of this continued growth is planned in the year to 31 December 2017.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'S Granton', written in a cursive style.

S Granton - Secretary

20 April 2017

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of plant hirers.

DIVIDENDS

An interim dividend of £0.0396 per share was paid on 31 December 2016. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2016 will be £250,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

J Jarvie
G Jarvie
S Granton
J A D Jarvie

Other changes in directors holding office are as follows:

K M A Lewandowski - resigned 31 December 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Yates Business Solutions Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



S Granton - Secretary

20 April 2017

Report of the Independent Auditors to the Members of
Jarvie Plant Limited

We have audited the financial statements of Jarvie Plant Limited for the year ended 31 December 2016 on pages six to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

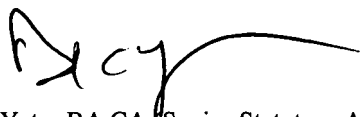
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Jarvie Plant Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



David Yates BA CA (Senior Statutory Auditor)
for and on behalf of Yates Business Solutions Ltd
Chartered Accountants
Registered Auditor
Unit 4B Gateway Bus Park
Grangemouth
Central
FK3 8WX

20 April 2017

Yates & Co.

Jarvie Plant Limited

Income Statement
for the Year Ended 31 December 2016

	Notes	31.12.16 £	31.12.15 £
TURNOVER		16,065,713	14,171,660
Cost of sales		11,676,987	11,210,408
GROSS PROFIT		4,388,726	2,961,252
Administrative expenses		2,796,367	963,309
		1,592,359	1,997,943
Other operating income		15,000	286,003
OPERATING PROFIT	4	1,607,359	2,283,946
Interest receivable and similar income		11,653	29,429
		1,619,012	2,313,375
Interest payable and similar expenses	5	484,086	397,494
PROFIT BEFORE TAXATION		1,134,926	1,915,881
Tax on profit	6	245,802	264,505
PROFIT FOR THE FINANCIAL YEAR		889,124	1,651,376

The notes form part of these financial statements

Jarvie Plant Limited

Other Comprehensive Income
for the Year Ended 31 December 2016

	Notes	31.12.16 £	31.12.15 £
PROFIT FOR THE YEAR		889,124	1,651,376
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>889,124</u>	<u>1,651,376</u>

The notes form part of these financial statements

Statement of Financial Position
31 December 2016

	Notes	31.12.16 £	31.12.15 £
FIXED ASSETS			
Tangible assets	8	25,129,335	25,029,344
Investments	9	34,000	34,000
		<u>25,163,335</u>	<u>25,063,344</u>
CURRENT ASSETS			
Stocks	10	43,627	36,448
Debtors	11	4,115,401	3,977,062
Cash at bank and in hand		16,486	16,489
		<u>4,175,514</u>	<u>4,029,999</u>
CREDITORS			
Amounts falling due within one year	12	10,618,383	9,773,761
NET CURRENT LIABILITIES		<u>(6,442,869)</u>	<u>(5,743,762)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,720,466</u>	<u>19,319,582</u>
CREDITORS			
Amounts falling due after more than one year	13	(5,543,424)	(6,794,715)
PROVISIONS FOR LIABILITIES	17	<u>(1,135,408)</u>	<u>(1,122,357)</u>
NET ASSETS		<u><u>12,041,634</u></u>	<u><u>11,402,510</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	6,300,000	6,300,000
Retained earnings	19	5,741,634	5,102,510
SHAREHOLDERS' FUNDS		<u><u>12,041,634</u></u>	<u><u>11,402,510</u></u>

The financial statements were approved by the Board of Directors on 20 April 2017 and were signed on its behalf by:



S Granton - Director

Jarvie Plant Limited

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2015	6,300,000	3,451,134	9,751,134
Changes in equity			
Total comprehensive income	-	1,651,376	1,651,376
Balance at 31 December 2015	<u>6,300,000</u>	<u>5,102,510</u>	<u>11,402,510</u>
Changes in equity			
Dividends	-	(250,000)	(250,000)
Total comprehensive income	-	889,124	889,124
Balance at 31 December 2016	<u><u>6,300,000</u></u>	<u><u>5,741,634</u></u>	<u><u>12,041,634</u></u>

The notes form part of these financial statements

Jarvie Plant Limited

Statement of Cash Flows
for the Year Ended 31 December 2016

	Notes	31.12.16 £	31.12.15 £
Cash flows from operating activities			
Cash generated from operations	1	4,972,535	5,091,886
Interest paid		(56,417)	(46,330)
Interest element of hire purchase payments paid		(427,669)	(351,164)
Tax paid		(143,896)	(102,035)
Net cash from operating activities		<u>4,344,553</u>	<u>4,592,357</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,423,417)	(11,094,817)
Sale of tangible fixed assets		1,218,627	3,020,996
Interest received		11,653	29,429
Net cash from investing activities		<u>(4,193,137)</u>	<u>(8,044,392)</u>
Cash flows from financing activities			
New loans in year		500,000	-
Capital repayments in year		(1,275,945)	4,401,416
Amount introduced by directors		9,062	16,163
Amount withdrawn by directors		(67,723)	(5,794)
Movement on group company debtor		535,463	(1,866,453)
Movement on group company creditor		(141,341)	318,969
Equity dividends paid		(250,000)	-
Net cash from financing activities		<u>(690,484)</u>	<u>2,864,301</u>
Decrease in cash and cash equivalents		<u>(539,068)</u>	<u>(587,734)</u>
Cash and cash equivalents at beginning of year	2	(572,074)	15,660
Cash and cash equivalents at end of year	2	<u><u>(1,111,142)</u></u>	<u><u>(572,074)</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2016

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.12.16	31.12.15
	£	£
Profit before taxation	1,134,926	1,915,881
Depreciation charges	4,582,278	4,255,911
Profit on disposal of fixed assets	(358,462)	(1,267,433)
Finance costs	484,086	397,494
Finance income	(11,653)	(29,429)
	5,831,175	5,272,424
Increase in stocks	(7,179)	(6,008)
(Increase)/decrease in trade and other debtors	(736,882)	159,757
Decrease in trade and other creditors	(114,579)	(334,287)
Cash generated from operations	4,972,535	5,091,886

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	16,486	16,489
Bank overdrafts	(1,127,628)	(588,563)
	(1,111,142)	(572,074)

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	16,489	107,651
Bank overdrafts	(588,563)	(91,991)
	(572,074)	15,660

1. **STATUTORY INFORMATION**

Jarvie Plant Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% - 33.33% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Fixed asset investments

Investments held as fixed assets are stated at cost less any provisions for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the fixed asset investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value-in-use.

3. **EMPLOYEES AND DIRECTORS**

	31.12.16 £	31.12.15 £
Wages and salaries	3,955,738	3,913,956
Social security costs	422,535	366,056
Other pension costs	133,716	77,873
	<u>4,511,989</u>	<u>4,357,885</u>

The average monthly number of employees during the year was as follows:

	31.12.16	31.12.15
Fortnightly paid	91	90
Sales and administration	51	50
	<u>142</u>	<u>140</u>

	31.12.16 £	31.12.15 £
Directors' remuneration	501,534	406,643
Directors' pension contributions to money purchase schemes	3,900	3,521
	<u>505,434</u>	<u>410,164</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>4</u>
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Information regarding the highest paid director is as follows:

	31.12.16 £	31.12.15 £
Emoluments etc	<u>165,184</u>	<u>110,897</u>

4. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.12.16 £	31.12.15 £
Depreciation - owned assets	991,525	551,161
Depreciation - assets on hire purchase contracts	3,590,752	3,704,780
Profit on disposal of fixed assets	(358,462)	(1,267,433)
Auditors' remuneration	13,724	11,510
	<u>3,237,539</u>	<u>2,999,018</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.16	31.12.15
	£	£
Bank interest	10,729	-
Corporation tax late payment interest	18	142
Pension fund loan interest	27,750	40,288
Interest on Loans	17,920	5,900
Finance lease & H.P. charges	427,669	351,164
	<u>484,086</u>	<u>397,494</u>

6. **TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.12.16	31.12.15
	£	£
Current tax:		
UK corporation tax	232,751	139,865
Deferred tax	13,051	124,640
Tax on profit	<u>245,802</u>	<u>264,505</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.16	31.12.15
	£	£
Profit before tax	<u>1,134,926</u>	<u>1,915,881</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.246%)	226,985	387,889
Effects of:		
Expenses not deductible for tax purposes	72,087	11,758
Depreciation for period in excess of capital allowances	307,177	-
Capital allowances for period in excess of depreciation	-	(257,917)
Under/(over) provision for corporation tax in prior years	(360,447)	122,775
Total tax charge	<u>245,802</u>	<u>264,505</u>

7. **DIVIDENDS**

	31.12.16	31.12.15
	£	£
Ordinary shares of £1 each		
Interim	<u>250,000</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

8. TANGIBLE FIXED ASSETS

	Hire vehicles & plant £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2016	42,535,933	199,111	146,628	42,881,672
Additions	5,423,417	-	-	5,423,417
Disposals	(1,835,895)	-	-	(1,835,895)
At 31 December 2016	46,123,455	199,111	146,628	46,469,194
DEPRECIATION				
At 1 January 2016	17,533,838	171,862	146,628	17,852,328
Charge for year	4,568,956	13,321	-	4,582,277
Eliminated on disposal	(1,094,746)	-	-	(1,094,746)
At 31 December 2016	21,008,048	185,183	146,628	21,339,859
NET BOOK VALUE				
At 31 December 2016	25,115,407	13,928	-	25,129,335
At 31 December 2015	25,002,095	27,249	-	25,029,344

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Hire vehicles & plant £
COST	
At 1 January 2016	21,634,254
Additions	4,092,542
Disposals	(702,676)
Transfer to ownership	(1,803,449)
At 31 December 2016	23,220,671
DEPRECIATION	
At 1 January 2016	3,428,599
Charge for year	3,590,752
Eliminated on disposal	(702,706)
Transfer to ownership	(704,241)
At 31 December 2016	5,612,404
NET BOOK VALUE	
At 31 December 2016	17,608,267
At 31 December 2015	18,205,655

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

9. **FIXED ASSET INVESTMENTS**

	Unlisted investments £
COST	
At 1 January 2016	
and 31 December 2016	34,000
NET BOOK VALUE	
At 31 December 2016	34,000
At 31 December 2015	34,000

10. **STOCKS**

	31.12.16 £	31.12.15 £
Raw materials and consumables	43,627	36,448

11. **DEBTORS**

	31.12.16 £	31.12.15 £
Amounts falling due within one year:		
Trade debtors	3,443,727	3,000,369
Amounts owed by group undertakings	187,464	48,927
Directors' current accounts	162,670	104,009
Prepayments and accrued income	293,524	180,558
	4,087,385	3,333,863
Amounts falling due after more than one year:		
Amounts owed by group undertakings	-	624,000
s.455 taxation recoverable	28,016	19,199
	28,016	643,199
Aggregate amounts	4,115,401	3,977,062

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16 £	31.12.15 £
Bank loans and overdrafts (see note 14)	1,127,628	588,563
Other loans (see note 14)	307,477	296,451
Hire purchase contracts (see note 15)	5,863,952	5,588,918
Trade creditors	1,610,754	2,367,088
Amounts owed to group undertakings	144,269	107,865
Tax	197,751	89,698
s455 tax payable	8,818	19,199
Social security and other taxes	204,740	131,712
VAT	526,841	252,826
Sundry creditors	159,351	145,828
Accrued expenses	466,802	185,613
	10,618,383	9,773,761

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.16	31.12.15
	£	£
Bank loans (see note 14)	500,000	-
Other loans (see note 14)	398,896	707,001
Hire purchase contracts (see note 15)	4,333,245	5,884,224
Amounts owed to group undertakings	311,283	203,490
	<u>5,543,424</u>	<u>6,794,715</u>

14. LOANS

An analysis of the maturity of loans is given below:

	31.12.16	31.12.15
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	1,127,628	588,563
Jarvie Plant Pension Fund loan	307,477	296,451
	<u>1,435,105</u>	<u>885,014</u>

Amounts falling due between one and two years:

Bank loans - 1-2 years	500,000	-
Jarvie Plant Pension Fund loan	318,239	307,477
	<u>818,239</u>	<u>307,477</u>

Amounts falling due between two and five years:

Jarvie Plant Pension Fund loan	80,657	399,524
	<u>80,657</u>	<u>399,524</u>

15. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	31.12.16	31.12.15
	£	£
Net obligations repayable:		
Within one year	5,863,952	5,588,918
Between one and five years	4,333,245	5,884,224
	<u>10,197,197</u>	<u>11,473,142</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.16	31.12.15
	£	£
Bank overdrafts	1,127,628	588,563
Bank loans	500,000	-
Hire purchase contracts	10,197,197	11,473,142
Jarvie Plant Pension Fund Loan	706,373	1,003,453
	<u>12,531,198</u>	<u>13,065,158</u>

The bank overdraft and bank loan are secured by a bond and floating charge and an inter company guarantee held by the Royal Bank of Scotland plc.

The hire purchase creditor is secured over the corresponding assets on hire purchase contracts.

The Jarvie Plant Pension Fund Loan is secured by a floating charge.

17. PROVISIONS FOR LIABILITIES

	31.12.16	31.12.15
	£	£
Deferred tax		
The accumulated excess of capital allowances over corresponding depreciation	<u>1,135,408</u>	<u>1,122,357</u>
		Deferred tax
		£
Balance at 1 January 2016		1,122,357
Transfer from profit & loss		13,051
Balance at 31 December 2016		<u>1,135,408</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.16	31.12.15
			£	£
6,300,000	Ordinary	£1	<u>6,300,000</u>	<u>6,300,000</u>

19. RESERVES

	Retained earnings
	£
At 1 January 2016	5,102,510
Profit for the year	889,124
Dividends	(250,000)
At 31 December 2016	<u>5,741,634</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

20. ULTIMATE PARENT COMPANY

The ultimate parent company is Jarvie Plant Group Ltd.

21. CAPITAL COMMITMENTS

	31.12.16 £	31.12.15 £
Contracted but not provided for in the financial statements	<u>160,000</u>	<u>150,000</u>

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Debtors include the following amounts which are owed by individuals who were directors of the company during the year:

	31.12.16 £	31.12.15 £
J Jarvie	58,493	-
G Jarvie	205	9,267
D Jarvie	80,075	76,794
S Granton	23,894	17,948
	<u>162,667</u>	<u>104,009</u>

The maximum balance outstanding during the year amounted to £162,667. The directors loans include interest charged at 4%.

23. RELATED PARTY DISCLOSURES

Amounts owed by group undertakings relate to £nil (2015: £48,927) which is due from J.P. Rentals Ltd, a company under the control of the parent company Jarvie Plant Group Ltd. Additionally, £180,960 (2015: £624,000) is due from Jarvie Properties Ltd, a company under the control of the parent company Jarvie Plant Group Ltd. The amount owed from Jarvie Properties Ltd includes interest charged at 4%. As at 31 December 2016 Jarvie Plant Pension Fund owed £6,504 (2015: £nil). This loan is repayable on demand, therefore, no interest was charged on this.

Amounts owing to group undertakings relate to £311,283 (2015: £311,355) payable to Jarvie Plant Group Ltd. The amounts owed to Jarvie Plant Group Ltd include interest charged at 4%. Additionally, £144,269 (2015: £nil) is payable to J.P. Rentals Ltd. The amounts owed to J.P. Rentals Ltd include interest charged at 4%.

A management charge of £nil (2015: £265,000) was charged by Jarvie Plant Limited to J.P. Rentals Ltd. Additionally, a management charge of £15,000 (2015: £15,000) was charged by Jarvie Plant Limited to Jarvie Plant Group Limited.

The company made purchases during the year from J.P. Rentals Ltd amounting to £181,025 (2015: £131,483), the balance outstanding at the end of the period was £31,538 (2015: £23,156). All transactions were at normal commercial rates.

Other loans include an amount of £706,373 (2015: £1,003,452) which is owed to the company's pension fund. £681,373 (2015: £978,452) relates to the capital sum due, whilst £25,000 (2015: £25,000) represents accrued interest payable to the pension fund as at 31 December 2016. Interest is charged on loans from the company's pension fund at 3% over the Bank of Scotland base rate. Interest paid to the fund for the year ended 31 December 2016 amounted to £27,750 (2015: £40,288).

Rent of £428,018 was charged by Jarvie Plant Group Ltd for the current year (2015: £135,998).

During the year a dividend of £250,000 (2015: £nil) was paid to Jarvie Plant Group Limited.

24. ULTIMATE CONTROLLING PARTY

Jarvie Plant Group Ltd controls the company by virtue of a controlling interest of 100% of the company's issued ordinary share capital.

John Jarvie therefore is the ultimate controlling party by virtue of a controlling interest of 55.6% of the issued ordinary share capital in Jarvie Plant Group Ltd.