

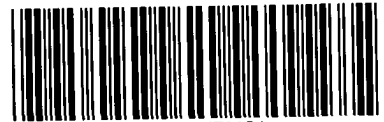
REGISTERED NUMBER: SC090161 (Scotland)

Abbreviated Accounts for the Year Ended 30 April 2015

for

Sutherland Brothers Limited

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Sutherland Brothers Limited (Registered number: SC090161)

**Contents of the Abbreviated Accounts
for the Year Ended 30 April 2015**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors on the Abbreviated Accounts	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Accounts	9

Sutherland Brothers Limited

**Company Information
for the Year Ended 30 April 2015**

DIRECTORS:

Mr D G Sutherland
Ms R Sutherland
Mr E G Sutherland

SECRETARY:

Ms R Sutherland

REGISTERED OFFICE:

Unit 11
Industrial Estate
Wick
Caithness
KW1 4QS

REGISTERED NUMBER:

SC090161 (Scotland)

AUDITORS:

Reid & Fraser
Statutory Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

Sutherland Brothers Limited (Registered number: SC090161)

**Strategic Report
for the Year Ended 30 April 2015**

The directors present their strategic report for the year ended 30 April 2015.

REVIEW OF BUSINESS

In the year to 30 April 2015 the previous level of turnover was maintained. The new ERP system is now in place and we will continue to develop this into 2015/16. During the implementation phase turnover dropped, but following the implementation, we can now start to build the business and customer base again.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to the business comes from the increased presence of the major Cash and Carry multiples to the market.

ON BEHALF OF THE BOARD:



.....
Ms R Sutherland - Secretary

Date: 27.1.16

Sutherland Brothers Limited (Registered number: SC090161)

**Report of the Directors
for the Year Ended 30 April 2015**

The directors present their report with the accounts of the company for the year ended 30 April 2015.

DIVIDENDS

Total dividend distributions for the year to 30 April 2015 were £15,675.

The directors do not recommend the payment of a final dividend.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2014 to the date of this report.

Mr D G Sutherland
Ms R Sutherland
Mr E G Sutherland

Other changes in directors holding office are as follows:

Mr T MacLennan - resigned 27 June 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Reid & Fraser, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Ms R Sutherland - Secretary

Date: 27.1.16

**Report of the Independent Auditors to
Sutherland Brothers Limited
Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages five to fourteen, together with the full financial statements of Sutherland Brothers Limited for the year ended 30 April 2015 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

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.



Stuart Walker (Senior Statutory Auditor)
for and on behalf of Reid & Fraser
Statutory Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

Date: 27.1.16

Sutherland Brothers Limited (Registered number: SC090161)

**Abbreviated Profit and Loss Account
for the Year Ended 30 April 2015**

	Notes	2015 £	2014 £
TURNOVER		13,268,365	13,356,771
Cost of sales and other operating income		(11,575,113)	(11,730,898)
		1,693,252	1,625,873
Distribution costs		(1,175,997)	(1,118,756)
Administrative expenses		(288,663)	(337,320)
OPERATING PROFIT	3	228,592	169,797
Income from fixed asset investments		21,746	21,791
Interest receivable and similar income		6,300	3,205
		256,638	194,793
Amounts written off investments	4	-	(2,200)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		256,638	192,593
Tax on profit on ordinary activities	5	(51,295)	(39,433)
PROFIT FOR THE FINANCIAL YEAR		205,343	153,160

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

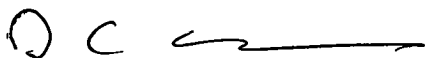
Sutherland Brothers Limited (Registered number: SC090161)

**Abbreviated Balance Sheet
30 April 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	519,629	597,494
Investments	8	190	-
		<u>519,819</u>	<u>597,494</u>
CURRENT ASSETS			
Stocks	9	1,976,737	2,021,481
Debtors	10	1,272,679	1,226,348
Cash at bank		593,550	117,113
		<u>3,842,966</u>	<u>3,364,942</u>
CREDITORS			
Amounts falling due within one year	11	(1,209,153)	(997,249)
NET CURRENT ASSETS		<u>2,633,813</u>	<u>2,367,693</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,153,632	2,965,187
PROVISIONS FOR LIABILITIES	12	(3,836)	(1,175)
ACCRUALS AND DEFERRED INCOME	13	(35,766)	(39,650)
NET ASSETS		<u><u>3,114,030</u></u>	<u><u>2,924,362</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	142,500	142,500
Share premium	15	6,000	6,000
Capital redemption reserve	15	87,500	87,500
Profit and loss account	15	2,878,030	2,688,362
SHAREHOLDERS' FUNDS	18	<u><u>3,114,030</u></u>	<u><u>2,924,362</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 27.1.16 and were signed on its behalf by:



Mr D G Sutherland - Director

The notes form part of these abbreviated accounts

Sutherland Brothers Limited (Registered number: SC090161)

**Cash Flow Statement
for the Year Ended 30 April 2015**

	Notes	2015 £	2014 £
Net cash inflow from operating activities	1	555,068	72,696
Returns on investments and servicing of finance	2	28,046	24,996
Taxation		(40,252)	(47,101)
Capital expenditure and financial investment	2	(50,750)	(30,958)
Equity dividends paid		(15,675)	(15,675)
Increase in cash in the period		476,437	3,958
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>476,437</u>	<u>3,958</u>
Change in net funds resulting from cash flows		<u>476,437</u>	<u>3,958</u>
Movement in net funds in the period		476,437	3,958
Net funds at 1 May		117,113	113,155
Net funds at 30 April		593,550	117,113

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating profit	228,592	169,797
Depreciation charges	151,426	131,438
Profit on disposal of fixed assets	(23,000)	(2,750)
Government grants	3,883	4,717
Decrease/(increase) in stocks	44,744	(201,693)
Increase in debtors	(46,331)	(68,251)
Increase in creditors	195,754	39,438
Net cash inflow from operating activities	555,068	72,696

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	6,300	3,205
Dividends received	21,746	21,791
Net cash inflow for returns on investments and servicing of finance	28,046	24,996
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(73,560)	(33,708)
Purchase of fixed asset investments	(190)	-
Sale of tangible fixed assets	23,000	2,750
Net cash outflow for capital expenditure and financial investment	(50,750)	(30,958)

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.5.14	Cash flow	At
	£	£	30.4.15
			£
Net cash:			
Cash at bank	117,113	476,437	593,550
	<u>117,113</u>	<u>476,437</u>	<u>593,550</u>
	<u>117,113</u>	<u>476,437</u>	<u>593,550</u>
Total	<u>117,113</u>	<u>476,437</u>	<u>593,550</u>

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the Year Ended 30 April 2015

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention.

TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Assets are initially recorded at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold property	2% straight line
Plant & machinery	10 % straight line and 25% straight line
Motor vehicles	20% straight line

STOCKS

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

DEFERRED TAX

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the balance sheet. It is provided using the tax rates that are expected to apply in the period when the asset or liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

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 the profit and loss account in the period to which they relate.

GOVERNMENT GRANTS

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by annual instalments.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

OPERATING LEASE RENTALS

Rentals payable under operating leases are charged to the profit and loss account as they fall due.

INVESTMENTS

Fixed asset investments are stated at cost unless, in the opinion of the directors, there has been a permanent diminution in value, in which case an appropriate adjustment is made.

2. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	758,172	767,804
Social security costs	62,213	66,479
Other pension costs	40,000	32,000
	<u>860,385</u>	<u>866,283</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

2. STAFF COSTS - continued

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

	2015	2014
Sales and distribution	31	32
Administration	4	4
	<u>35</u>	<u>36</u>

3. OPERATING PROFIT

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

	2015 £	2014 £
Hire of plant and machinery	6,924	-
Other operating leases	5,150	5,150
Depreciation - owned assets	151,425	131,439
Profit on disposal of fixed assets	(23,000)	(2,750)
Auditors' remuneration	4,750	4,500
	<u>105,981</u>	<u>157,725</u>
Directors' remuneration	40,000	32,000
Directors' pension contributions to money purchase schemes		

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

Money purchase schemes	<u>3</u>	<u>3</u>
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4. AMOUNTS WRITTEN OFF INVESTMENTS

	2015 £	2014 £
Amount written off investments	<u>-</u>	<u>2,200</u>

5. TAXATION

Analysis of the tax charge

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

	2015 £	2014 £
Current tax:		
UK corporation tax	48,634	41,307
Deferred tax	2,661	(1,874)
Tax on profit on ordinary activities	<u>51,295</u>	<u>39,433</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

5. TAXATION - continued

FACTORS AFFECTING THE TAX CHARGE

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

	2015 £	2014 £
Profit on ordinary activities before tax	<u>256,638</u>	<u>192,593</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	51,328	38,519
Effects of:		
Expenses not deductible for tax purposes	196	1,232
Depreciation in excess of capital allowances	4,662	5,229
Franked investment income	(4,349)	(4,358)
Tax on FII	2,174	2,178
Gain on disposal of fixed assets	(4,600)	(550)
Amortisation of government grants	(777)	(943)
Current tax charge	<u>48,634</u>	<u>41,307</u>

6. DIVIDENDS

	2015 £	2014 £
Ordinary shares of £1 each		
Interim	<u>15,675</u>	<u>15,675</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

7. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 May 2014	481,140	438,174	494,078	1,413,392
Additions	-	64,665	8,895	73,560
Disposals	-	-	(146,873)	(146,873)
At 30 April 2015	481,140	502,839	356,100	1,340,079
DEPRECIATION				
At 1 May 2014	199,255	274,372	342,271	815,898
Charge for year	11,745	72,861	66,819	151,425
Eliminated on disposal	-	-	(146,873)	(146,873)
At 30 April 2015	211,000	347,233	262,217	820,450
NET BOOK VALUE				
At 30 April 2015	270,140	155,606	93,883	519,629
At 30 April 2014	281,885	163,802	151,807	597,494

8. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 May 2014	8,800
Additions	190
At 30 April 2015	8,990
PROVISIONS	
At 1 May 2014 and 30 April 2015	8,800
NET BOOK VALUE	
At 30 April 2015	190
At 30 April 2014	-

9. STOCKS

	2015 £	2014 £
Stocks	1,976,737	2,021,481

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade debtors	1,242,644	1,209,728
Other debtors	30,035	16,620
	<u>1,272,679</u>	<u>1,226,348</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	1,035,738	794,272
Corporation tax	47,510	39,128
Other taxation and social security	104,516	155,849
Other creditors	15,389	-
Accrued expenses	6,000	8,000
	<u>1,209,153</u>	<u>997,249</u>

12. PROVISIONS FOR LIABILITIES

	2015	2014
	£	£
Deferred tax	<u>3,836</u>	<u>1,175</u>
		Deferred tax
		£
Balance at 1 May 2014		1,175
Accelerated capital allowances		<u>2,661</u>
Balance at 30 April 2015		<u>3,836</u>

13. ACCRUALS AND DEFERRED INCOME

	2015	2014
	£	£
Deferred grants	39,650	44,367
Released in year	(3,884)	(4,717)
	<u>35,766</u>	<u>39,650</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2015	2014
Number:	Class:	Nominal value:	£	£
142,500	Ordinary	£1	<u>142,500</u>	<u>142,500</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

15. RESERVES

	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 May 2014	2,688,362	6,000	87,500	2,781,862
Profit for the year	205,343	-	-	205,343
Dividends	(15,675)	-	-	(15,675)
At 30 April 2015	<u>2,878,030</u>	<u>6,000</u>	<u>87,500</u>	<u>2,971,530</u>

16. OTHER FINANCIAL COMMITMENTS

The company has commitments under non-cancellable operating leases as follows:

Plant and machinery	2015 £	2014 £
Within one year	22,047	-
Between 2 and 5 years	82,333	-
Over 5 years	-	-
	<u>104,380</u>	<u>-</u>

In addition to the above, the company entered into a 99 year lease in 1990 for ground rent for the warehouse. The current annual rent is £5,150.

17. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 April 2015 and 30 April 2014:

	2015 £	2014 £
Mr E G Sutherland		
Balance outstanding at start of year	-	-
Amounts advanced	4,200	-
Amounts repaid	-	-
Balance outstanding at end of year	<u>4,200</u>	<u>-</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Profit for the financial year	205,343	153,160
Dividends	(15,675)	(15,675)
Net addition to shareholders' funds	<u>189,668</u>	<u>137,485</u>
Opening shareholders' funds	<u>2,924,362</u>	<u>2,786,877</u>
Closing shareholders' funds	<u>3,114,030</u>	<u>2,924,362</u>