

**Unaudited Financial Statements for the Year Ended 30 April 2020**

**for**

**Sutherland Brothers Limited**

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

**Contents of the Financial Statements  
for the Year Ended 30 April 2020**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Balance Sheet</b>	<b>2</b>
<b>Notes to the Financial Statements</b>	<b>4</b>

**Sutherland Brothers Limited**

**Company Information  
for the Year Ended 30 April 2020**

**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)

**ACCOUNTANTS:**

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

**Balance Sheet**  
**30 April 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	4	18,383	4,045
Tangible assets	5	269,165	287,845
Investments	6	-	-
		<u>287,548</u>	<u>291,890</u>
<b>CURRENT ASSETS</b>			
Stocks	7	1,333,532	1,797,626
Debtors	8	299,903	968,072
Investments	9	981,070	-
Cash at bank		<u>574,212</u>	<u>1,138,990</u>
		3,188,717	3,904,688
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>(417,280)</u>	<u>(1,135,376)</u>
<b>NET CURRENT ASSETS</b>		<u>2,771,437</u>	<u>2,769,312</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,058,985	3,061,202
<b>ACCRUALS AND DEFERRED INCOME</b>		<u>(41,555)</u>	<u>(29,669)</u>
<b>NET ASSETS</b>		<u>3,017,430</u>	<u>3,031,533</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		142,500	142,500
Share premium		6,000	6,000
Capital redemption reserve		87,500	87,500
Fair value reserve	11	(18,930)	-
Retained earnings		<u>2,800,360</u>	<u>2,795,533</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>3,017,430</u>	<u>3,031,533</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**Balance Sheet - continued**  
**30 April 2020**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 25 August 2020 and were signed on its behalf by:

Mr D G Sutherland - Director

**Notes to the Financial Statements  
for the Year Ended 30 April 2020**

**1. STATUTORY INFORMATION**

Sutherland Brothers 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency is £.

**TURNOVER**

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

**INTANGIBLE ASSETS**

Intangible assets are stated at acquisition or development cost, less accumulated depreciation.

**Computer software**

Computer software comprises software purchased from third parties as well as the cost of internally generated software. Costs that are directly associated with the production of identifiable software products used and controlled by the company and are probable of producing future economic benefits are recognised as intangible assets. Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives from the date the software is available for use. The estimated useful life is 3 years.

**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 %, 25% and 33% 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.

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2020**

**2. ACCOUNTING POLICIES - continued**

**FINANCIAL INSTRUMENTS**

**Basic financial assets**

Basic financial assets, which include debtors, 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.

**Impairment of financial assets**

Financial assets, other than those held at fair value through the profit and loss account, 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 and 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 the profit and loss account.

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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**Derecognition of financial asset**

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 a third party.

**Basic financial liabilities**

Basic financial liabilities, including creditors 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 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.

**Derecognition of financial liabilities**

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

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2020**

**2. ACCOUNTING POLICIES - continued**

**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 balance sheet date.

**DEFERRED TAX**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

**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.

**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 an permanent diminution in value, in which case an appropriate adjustment is made.

Current asset investments are stated at fair value with gains and losses recorded through the profit and loss account in the period in which they arise. The fair value reserve has been ring-fenced as a non-distributable reserve.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 33 (2019 - 37) .

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2020

4. INTANGIBLE FIXED ASSETS

	Computer software £
<b>COST</b>	
At 1 May 2019	163,754
Additions	27,574
At 30 April 2020	<u>191,328</u>
<b>AMORTISATION</b>	
At 1 May 2019	159,709
Amortisation for year	13,236
At 30 April 2020	<u>172,945</u>
<b>NET BOOK VALUE</b>	
At 30 April 2020	<u>18,383</u>
At 30 April 2019	<u>4,045</u>

5. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 May 2019	481,140	431,764	26,000	938,904
Additions	-	17,872	13,495	31,367
Disposals	-	-	(30,793)	(30,793)
At 30 April 2020	<u>481,140</u>	<u>449,636</u>	<u>8,702</u>	<u>939,478</u>
<b>DEPRECIATION</b>				
At 1 May 2019	256,023	369,036	26,000	651,059
Charge for year	11,256	25,296	-	36,552
Eliminated on disposal	-	-	(17,298)	(17,298)
At 30 April 2020	<u>267,279</u>	<u>394,332</u>	<u>8,702</u>	<u>670,313</u>
<b>NET BOOK VALUE</b>				
At 30 April 2020	<u>213,861</u>	<u>55,304</u>	<u>-</u>	<u>269,165</u>
At 30 April 2019	<u>225,117</u>	<u>62,728</u>	<u>-</u>	<u>287,845</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2020

6. **FIXED ASSET INVESTMENTS**

	<b>Other investments £</b>
<b>COST</b>	
At 1 May 2019	
and 30 April 2020	<u>8,800</u>
<b>PROVISIONS</b>	
At 1 May 2019	
and 30 April 2020	<u>8,800</u>
<b>NET BOOK VALUE</b>	
At 30 April 2020	<u>-</u>
At 30 April 2019	<u>-</u>

7. **STOCKS**

	<b>2020 £</b>	<b>2019 £</b>
Stocks	<u>1,333,532</u>	<u>1,797,626</u>

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	271,347	947,566
Other debtors	<u>28,556</u>	<u>20,506</u>
	<u>299,903</u>	<u>968,072</u>

9. **CURRENT ASSET INVESTMENTS**

	<b>2020 £</b>	<b>2019 £</b>
Listed investments	<u>981,070</u>	<u>-</u>

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

	<b>2020 £</b>	<b>2019 £</b>
Trade creditors	333,564	1,058,033
Corporation tax	24,708	27,881
Other taxation and social security	54,821	28,526
Other creditors	1,687	2,436
Accrued expenses	<u>2,500</u>	<u>18,500</u>
	<u>417,280</u>	<u>1,135,376</u>

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2020**

**11. RESERVES**

	<b>Fair value reserve £</b>
Transfer between reserves	<u>(18,930)</u>
At 30 April 2020	<u>(18,930)</u>

The amounts transferred between retained earnings and the fair value reserve comprises the fair value revaluation of current asset investments.

**12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 30 April 2020 and 30 April 2019:

	<b>2020 £</b>	<b>2019 £</b>
<b>Mr E G Sutherland</b>		
Balance outstanding at start of year	<b>4,200</b>	4,200
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u><b>4,200</b></u>	<u>4,200</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.