

Company Registration No. SC160012 (Scotland)

**D.F. WISHART & COMPANY LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 1 SEPTEMBER 2012**

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# **D.F. WISHART & COMPANY LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D G Hibbert E J Brady H L Mayers G Gardner
<b>Secretary</b>	D G Hibbert
<b>Company number</b>	SC160012
<b>Registered office</b>	35 St Clair Street Edinburgh EH6 8LB
<b>Auditors</b>	Alexander & Co 17 St Ann's Square Manchester M2 7PW
<b>Bankers</b>	HSBC plc 8 High Street Manchester M60 4AJ
<b>Solicitors</b>	Neil Myerson LLP The Cottages Regent Road Altrincham WA14 1RX

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# **D.F. WISHART & COMPANY LIMITED**

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# **D.F. WISHART & COMPANY LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 1 SEPTEMBER 2012**

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The directors present their report and financial statements for the year ended 1 September 2012.

#### **Principal activities and review of the business**

The principal activity of the company continued to be the wholesaling of building and engineering supplies.

On 27 May 2011 100% of the shares in D F Wishart & Co Limited were acquired by Stax Trade Centres plc. The financial statements under review are for a full 12 month period. The previous year figures are for an 8 month period to bring the financial year end in line with the new controlling company.

Turnover increased by £1.8m from the previous year to £5.7m with a gross margin of 31.2%, (previous period: 28.9%), mainly a result of the increased accounting period. The directors believe that this was a difficult period for this market sector and along with the many changes associated with change of ownership that the results are satisfactory.

The principle risk to the business is that we continue to trade in a very challenging market. However, through proactively strengthening our offer to reflect customer wants and needs we are able to reduce this risk and uncertainty to acceptable levels.

#### **Results and dividends**

The results for the year are set out on page 5.

#### **Directors**

The following directors have held office since 28 August 2011:

D G Hibbert  
E J Brady  
H L Mayers  
G Gardner

#### **Employee involvement**

The company is committed to the principle of equal opportunity in employment, regardless of a person's race, creed, colour, nationality, gender, age, marital status, sexual orientation, religion or disability. Employment policies are fair, equitable and consistent with the skills and abilities of the employees and the needs of the company's business. Where an employee becomes disabled, it is the company's policy, wherever practical, to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

#### **Creditor payment policy**

The company's policy concerning the payment to suppliers is to agree terms of payment at the start of business with each supplier and to adhere to these subject to satisfactory performance by the supplier.

#### **Auditors**

The auditors, Alexander & Co, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **D.F. WISHART & COMPANY LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 1 SEPTEMBER 2012**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' 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:

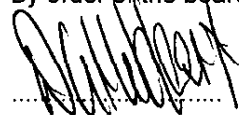
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



.....  
D G Hibbert

**Secretary**

.....  
7 May 2013

# **D.F. WISHART & COMPANY LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF D.F. WISHART & COMPANY LIMITED**

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We have audited the financial statements of D.F. Wishart & Company Limited for the year ended 1 September 2012 set out on pages 5 to 16. 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).

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 an 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 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 Directors' Responsibilities Statement set out on pages 1 - 2, 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 1 September 2012 and of its loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **D.F. WISHART & COMPANY LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF D.F. WISHART & COMPANY LIMITED**

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#### **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; or



**Gary Kramrisch (Senior Statutory Auditor)**  
for and on behalf of Alexander & Co

9 May 2013

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**Chartered Accountants**  
**Statutory Auditor**

17 St Ann's Square  
Manchester  
M2 7PW

# **D.F. WISHART & COMPANY LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 1 SEPTEMBER 2012**

		<b>Year ended 1 September 2012 £</b>	<b>Period ended 27 August 2011 £</b>
	<b>Notes</b>		
<b>Turnover</b>	<b>2</b>	5,694,133	3,870,694
<b>Cost of sales</b>		(3,912,182)	(2,752,085)
<b>Gross profit</b>		1,781,951	1,118,609
<b>Administrative expenses</b>		(1,822,447)	(1,150,876)
<b>Operating loss</b>	<b>3</b>	(40,496)	(32,267)
<b>Other interest receivable and similar income</b>	<b>4</b>	-	341
<b>Loss on ordinary activities before taxation</b>		(40,496)	(31,926)
<b>Tax on loss on ordinary activities</b>	<b>8</b>	8,885	977
<b>Loss for the year</b>	<b>16</b>	(31,611)	(30,949)

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

There are no recognised gains and losses other than those passing through the profit and loss account.



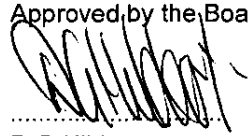
# D.F. WISHART & COMPANY LIMITED

## BALANCE SHEET

AS AT 1 SEPTEMBER 2012

	Notes	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Tangible assets	10		229,784		179,614
<b>Current assets</b>					
Stocks	11	1,829,176		1,302,373	
Debtors	12	1,116,469		1,175,641	
Cash at bank and in hand		272,601		368,199	
		3,218,246		2,846,213	
<b>Creditors: amounts falling due within one year</b>	13	(3,439,616)		(2,980,857)	
<b>Net current liabilities</b>			(221,370)		(134,644)
<b>Total assets less current liabilities</b>			8,414		44,970
<b>Provisions for liabilities</b>	14		(7,988)		(12,933)
			426		32,037
<b>Capital and reserves</b>					
Called up share capital	15		2		2
Profit and loss account	16		424		32,035
<b>Shareholders' funds</b>	17		426		32,037

Approved by the Board and authorised for issue on 7 May 2013



D G Hibbert  
Director

Company Registration No. SC160012

# **D.F. WISHART & COMPANY LIMITED**

## **CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 1 SEPTEMBER 2012**

	<b>Year ended 1 September 2012</b>	<b>Period ended 27 August 2011</b>
	<b>£</b>	<b>£</b>
<b>Net cash inflow from operating activities</b>	57,245	3,894,945
<b>Returns on investments and servicing of finance</b>		
Interest received	-	341
<b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b>	-	341
<b>Taxation</b>	(25,870)	-
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(135,022)	(4,642)
Receipts from sales of tangible assets	8,049	51,797
<b>Net cash (outflow)/inflow for capital expenditure</b>	(126,973)	47,155
<b>Equity dividends paid</b>	-	(3,800,000)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>	(95,598)	142,441
<b>(Decrease)/increase in cash in the year</b>	(95,598)	142,441

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 1 SEPTEMBER 2012

1 Reconciliation of operating loss to net cash outflow from operating activities	2012	2011
	£	£
Operating loss	(40,496)	(32,267)
Depreciation of tangible assets	77,715	57,815
Profit on disposal of tangible assets	(912)	(100)
(Increase)/decrease in stocks	(526,803)	400,267
Decrease in debtors	59,172	1,364,893
Increase in creditors within one year	488,569	2,104,337
<b>Net cash inflow from operating activities</b>	<b>57,245</b>	<b>3,894,945</b>

2 Analysis of net funds	28 August 2011	Cash flow	Other non-cash changes	1 September 2012
	£	£	£	£
Net cash:				
Cash at bank and in hand	368,199	(95,598)	-	272,601
<b>Net funds</b>	<b>368,199</b>	<b>(95,598)</b>	<b>-</b>	<b>272,601</b>

3 Reconciliation of net cash flow to movement in net funds	2012	2011
	£	£
(Decrease)/increase in cash in the year	(95,598)	142,441
<b>Movement in net funds in the year</b>	<b>(95,598)</b>	<b>142,441</b>
Opening net funds	368,199	225,758
<b>Closing net funds</b>	<b>272,601</b>	<b>368,199</b>

# **D.F. WISHART & COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 1 SEPTEMBER 2012**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover is recognised on the despatch of goods to customers and represents the total invoice value, excluding value added tax, of sales made during the year.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% straight line
Fixtures, fittings & equipment	20 - 25% straight line
Motor vehicles	20 - 25% straight line

#### **1.5 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.6 Stock**

Stock is valued at the lower of cost and net realisable value after making allowance for obsolete stock.

#### **1.7 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1.8 Deferred taxation**

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.

#### **1.9 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### **1.10 Rebates**

Rebates received from suppliers mainly comprise volume related rebates on the purchase of stock. Rebates are recognised on an accrued basis based on actual purchases made in the period based on individual agreements made with suppliers.

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 SEPTEMBER 2012

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Operating loss	2012 £	2011 £
	Operating loss is stated after charging:		
	Depreciation of tangible assets	77,715	57,815
	Operating lease rentals	333,555	195,994
	and after crediting:		
	Profit on disposal of tangible assets	(912)	(100)

### Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts	11,000	9,800
Tax services	1,700	-
	12,700	9,800

4	Investment income	2012 £	2011 £
	Bank interest	-	341
		-	341

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 SEPTEMBER 2012

### 5 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2012 Number	2011 Number
Management	1	1
Distribution	42	42
Administrative	7	11
	<u>50</u>	<u>54</u>

#### Employment costs

	2012 £	2011 £
Wages and salaries	844,699	538,155
Social security costs	76,276	47,386
Other pension costs	20,649	20,959
	<u>941,624</u>	<u>606,500</u>

### 6 Directors' remuneration

	2012 £	2011 £
Remuneration for qualifying services	69,762	87,627
Company pension contributions to defined contribution schemes	4,703	5,088
	<u>74,465</u>	<u>92,715</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1).

### 7 Pension and other post-retirement benefit commitments Defined contribution

	2012 £	2011 £
Contributions payable by the company for the year	<u>20,649</u>	<u>20,959</u>

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 SEPTEMBER 2012

8	Taxation	2012 £	2011 £
	<b>Domestic current year tax</b>		
	Adjustment for prior years	(3,940)	-
	<b>Total current tax</b>	(3,940)	-
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(4,945)	(977)
		(8,885)	(977)
	<b>Factors affecting the tax charge for the period</b>		
	Loss on ordinary activities before taxation	(40,496)	(31,926)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2011 - 26.00%)	(9,719)	(8,301)
	Effects of:		
	Non deductible expenses	184	133
	Depreciation > capital allowances	6,143	149
	Tax losses utilised in group	3,392	8,019
	Adjustments to previous periods	(3,940)	-
		5,779	8,301
	<b>Current tax charge for the period</b>	(3,940)	-
9	<b>Dividends</b>	2012 £	2011 £
	Ordinary final paid	-	3,800,000

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 SEPTEMBER 2012

### 10 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 28 August 2011	182,960	173,642	258,173	614,775
Additions	998	87,084	46,940	135,022
Disposals	(5,121)	(25,349)	(59,812)	(90,282)
At 1 September 2012	178,837	235,377	245,301	659,515
<b>Depreciation</b>				
At 28 August 2011	121,780	147,693	165,688	435,161
On disposals	(5,118)	(23,748)	(54,279)	(83,145)
Charge for the year	11,142	19,948	46,625	77,715
At 1 September 2012	127,804	143,893	158,034	429,731
<b>Net book value</b>				
At 1 September 2012	51,033	91,484	87,267	229,784
At 27 August 2011	61,180	25,949	92,485	179,614

### 11 Stocks

	2012 £	2011 £
Goods for resale	1,829,176	1,302,373

### 12 Debtors

	2012 £	2011 £
Trade debtors	943,754	974,194
Other debtors	-	106,816
Prepayments and accrued income	172,715	94,631
	1,116,469	1,175,641



# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 SEPTEMBER 2012

13 Creditors: amounts falling due within one year	2012 £	2011 £
Trade creditors	816,836	788,305
Amounts owed to parent undertaking	2,538,135	1,936,051
Corporation tax	-	29,810
Other taxes and social security costs	21,583	119,591
Other creditors	-	18,470
Accruals and deferred income	63,062	88,630
	<u>3,439,616</u>	<u>2,980,857</u>

14 Provisions for liabilities	Deferred tax liability £
Balance at 28 August 2011	12,933
Profit and loss account	(4,945)
Balance at 1 September 2012	<u>7,988</u>

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	<u>7,988</u>	<u>12,933</u>

15 Share capital	2012 £	2011 £
Allotted, called up and fully paid		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 SEPTEMBER 2012

### 16 Statement of movements on profit and loss account

#### Profit and loss account

£

Balance at 28 August 2011	32,035
Loss for the period	(31,611)
Balance at 1 September 2012	424

### 17 Reconciliation of movements in shareholders' funds

2012

2011

£

£

Loss for the financial year	(31,611)	(30,949)
Dividends	-	(3,800,000)
Net depletion in shareholders' funds	(31,611)	(3,830,949)
Opening shareholders' funds	32,037	3,862,986
Closing shareholders' funds	426	32,037

### 18 Contingent liabilities

The company is party to a cross guarantee with its parent undertaking for amounts owed to HSBC Bank plc. At the balance sheet date the maximum potential liability is £4,212,404 (2011: £4,207,500).

### 19 Financial commitments

At 1 September 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 1 September 2013:

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases which expire:				
Between two and five years	210,000	-	32,801	19,934
In over five years	-	210,000	-	-
	210,000	210,000	32,801	19,934

# **D.F. WISHART & COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 1 SEPTEMBER 2012**

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### **20 Control**

The ultimate parent company is Stax Trade Centres plc. A copy of the parents company accounts are available from:

Companies House  
Crown Way  
Maindy  
Cardiff CF14 3UZ

### **21 Related party relationships and transactions**

The company has taken advantage of available exemptions in Financial Reporting Standard 8 not to disclose transactions with other group companies as consolidated financial statements are prepared by the parent undertaking.