

Company Registration No. SC160012 (Scotland)

**D.F. WISHART & COMPANY LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 30 AUGUST 2014**

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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>	Myerson Solicitors 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**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 30 AUGUST 2014**

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The directors present the strategic report and financial statements for the year ended 30 August 2014.

### **Review of the business**

The directors' believe that the year under review was again a difficult period for this market sector. However, turnover increased by £0.8m from the previous year to £6.0m with a gross margin of 23.5%, (2013: 25.1%). Despite the economic climate we have maintained tight control over overhead costs where possible and focussed expenditure on key areas for future development of the business. In particular, we have strengthened our sales management team to improve the service to existing customers and to develop new business.

We will continue to focus efforts on improving customer service for existing customers and council contracts whilst also develop new business and tender for new contracts as they arise. We plan to develop and improve our delivery methods over the next year. Development continues on our IT systems, specifically investing in the development of our website and in the integration of our various IT systems.

### **Principal risks and uncertainties**

The principal 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.

By order of the board



.....  
D G Hibbert

**Secretary**

2 Feb 2015  
.....

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

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 AUGUST 2014**

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The directors present their report and financial statements for the year ended 30 August 2014.

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

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

#### **Results and dividends**

The results for the year are set out on page 6.

#### **Directors**

The following directors have held office since 1 September 2013:

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.

#### **Auditors**

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

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

The directors are responsible for preparing the Strategic Report, 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.

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

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

**FOR THE YEAR ENDED 30 AUGUST 2014**

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### **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**

2 Feb 2015  
.....

# **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 30 August 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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, 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 Annual Report 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 30 August 2014 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 Strategic Report and 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.



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

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

3 February 2015

17 St Ann's Square  
Manchester  
M2 7PW



# D.F. WISHART & COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 AUGUST 2014

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	Notes	2014 £	2013 £
Turnover	2	5,968,090	5,156,502
Cost of sales		(4,567,179)	(3,863,285)
<b>Gross profit</b>		1,400,911	1,293,217
Administrative expenses		(1,978,477)	(1,901,594)
<b>Operating loss</b>	3	(577,566)	(608,377)
Other interest receivable and similar income	6	43	-
<b>Loss on ordinary activities before taxation</b>		(577,523)	(608,377)
Tax on loss on ordinary activities	8	-	7,988
<b>Loss for the year</b>	15	(577,523)	(600,389)

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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.

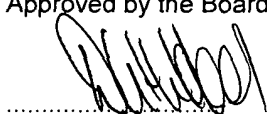
# D.F. WISHART & COMPANY LIMITED

## BALANCE SHEET

AS AT 30 AUGUST 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	9		151,794		174,991
<b>Current assets</b>					
Stocks	10	1,402,656		1,512,209	
Debtors	11	1,253,528		1,141,383	
Cash at bank and in hand		117,039		191,600	
		2,773,223		2,845,192	
<b>Creditors: amounts falling due within one year</b>	12	(1,059,345)		(735,337)	
<b>Net current assets</b>			1,713,878		2,109,855
<b>Total assets less current liabilities</b>			1,865,672		2,284,846
<b>Creditors: amounts falling due after more than one year</b>	13		(3,043,158)		(2,884,809)
			(1,177,486)		(599,963)
<b>Capital and reserves</b>					
Called up share capital	14		2		2
Profit and loss account	15		(1,177,488)		(599,965)
<b>Shareholders' funds</b>	16		(1,177,486)		(599,963)

Approved by the Board and authorised for issue on 2 Feb 2015



D G Hibbert  
Director

Company Registration No. SC160012

# D.F. WISHART & COMPANY LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 AUGUST 2014

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	£	2014 £	£	2013 £
<b>Net cash outflow from operating activities</b>		(29,667)		(54,273)
<b>Returns on investments and servicing of finance</b>				
Interest received	43		-	
	<u>          </u>		<u>          </u>	
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>		43		-
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(52,777)		(26,728)	
Receipts from sales of tangible assets	7,840		-	
	<u>          </u>		<u>          </u>	
<b>Net cash outflow for capital expenditure</b>		(44,937)		(26,728)
		<u>          </u>		<u>          </u>
<b>Net cash outflow before management of liquid resources and financing</b>		(74,561)		(81,001)
		<u>          </u>		<u>          </u>
<b>Decrease in cash in the year</b>		(74,561)		(81,001)
		<u>          </u>		<u>          </u>

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# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 AUGUST 2014

1	Reconciliation of operating loss to net cash inflow from operating activities		2014	2013	
			£	£	
	Operating loss		(577,566)	(608,377)	
	Depreciation of tangible assets		68,718	81,521	
	Profit on disposal of tangible assets		(584)	-	
	Decrease in stocks		109,553	316,967	
	Increase in debtors		(112,145)	(24,914)	
	Increase in creditors		482,357	180,530	
	Net cash outflow from operating activities		(29,667)	(54,273)	
2	Analysis of net funds	1 September 2013	Cash flow	Other non-cash changes	30 August 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	191,600	(74,561)	-	117,039
	Net funds	191,600	(74,561)	-	117,039
3	Reconciliation of net cash flow to movement in net funds		2014	2013	
			£	£	
	Decrease in cash in the year		(74,561)	(81,001)	
	Movement in net debt in the year		(74,561)	(81,001)	
	Opening net funds		191,600	272,601	
	Closing net funds		117,039	191,600	

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 AUGUST 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### Going concern

At the balance sheet date, the company had a deficiency of assets of £1,177,486 and made a loss for the period of £577,523 (2013: £600,389). The company continues to rely on the support of its parent undertaking. The directors anticipate the continuation of this support for a period of at least twelve months from the directors approval of these financial statements and on this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the withdrawal of this support.

#### 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.

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 AUGUST 2014

#### 1 Accounting policies

(Continued)

##### 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.

#### 2 Turnover

##### Geographical market

	Turnover	
	2014	2013
	£	£
United Kingdom	5,944,660	5,091,694
Europe	23,430	61,760
Rest of World	-	3,048
	<u>5,968,090</u>	<u>5,156,502</u>

#### 3 Operating loss

	2014	2013
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	68,718	81,521
Operating lease rentals		
- Plant and machinery	24,255	32,801
- Other assets	210,000	210,000
Auditors' remuneration	8,000	8,500
Tax services	1,500	750
and after crediting:		
Profit on disposal of tangible assets	(584)	-

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 AUGUST 2014

### 4 Employees

#### Number of employees

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

	2014 Number	2013 Number
Management	1	2
Distribution	37	38
Administrative	8	9
	<u>46</u>	<u>49</u>

#### Employment costs

	2014 £	2013 £
Wages and salaries	998,543	949,925
Social security costs	92,774	85,537
Other pension costs	21,704	16,950
	<u>1,113,021</u>	<u>1,052,412</u>

### 5 Directors' remuneration

	2014 £	2013 £
Remuneration for qualifying services	88,941	72,205
Company pension contributions to defined contribution schemes	4,817	4,713
	<u>93,758</u>	<u>76,918</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).

### 6 Investment income

	2014 £	2013 £
Bank interest	43	-
	<u>43</u>	<u>-</u>

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 AUGUST 2014

### 7 Retirement Benefits

	2014 £	2013 £
Contributions payable by the company for the year	21,704	16,950

### 8 Taxation

	2014 £	2013 £
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(7,988)
<b>Factors affecting the tax charge for the year</b>		
Loss on ordinary activities before taxation	(577,523)	(608,377)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2013 - 23.00%)	(121,280)	(139,927)
Effects of:		
Non deductible expenses	(823)	(622)
Depreciation > capital allowances	1,678	9,900
Tax losses utilised in group	120,425	130,649
	121,280	139,927
<b>Current tax charge for the year</b>	-	-



# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2014

### 9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2013	178,837	259,302	248,104	686,243
Additions	751	26,485	25,541	52,777
Disposals	(17,495)	-	(38,974)	(56,469)
At 30 August 2014	162,093	285,787	234,671	682,551
<b>Depreciation</b>				
At 1 September 2013	138,755	177,163	195,334	511,252
On disposals	(15,335)	-	(33,878)	(49,213)
Charge for the year	10,566	36,110	22,042	68,718
At 30 August 2014	133,986	213,273	183,498	530,757
<b>Net book value</b>				
At 30 August 2014	28,107	72,514	51,173	151,794
At 31 August 2013	40,082	82,139	52,770	174,991

### 10 Stocks

	2014 £	2013 £
Goods for resale	1,402,656	1,512,209

### 11 Debtors

	2014 £	2013 £
Trade debtors	1,122,773	1,021,948
Prepayments and accrued income	130,755	119,435
	1,253,528	1,141,383

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 AUGUST 2014

<b>12</b>	<b>Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Trade creditors	830,540	557,550
	Taxes and social security costs	92,962	82,714
	Accruals and deferred income	135,843	95,073
		<u>1,059,345</u>	<u>735,337</u>
		<u><u>1,059,345</u></u>	<u><u>735,337</u></u>
<b>13</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Amounts owed to parent undertaking	3,043,158	2,884,809
		<u>3,043,158</u>	<u>2,884,809</u>
		<u><u>3,043,158</u></u>	<u><u>2,884,809</u></u>
<b>14</b>	<b>Share capital</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Allotted, called up and fully paid		
	2 Ordinary Shares of £1 each	2	2
		<u>2</u>	<u>2</u>
		<u><u>2</u></u>	<u><u>2</u></u>
<b>15</b>	<b>Statement of movements on profit and loss account</b>		<b>Profit and loss account</b>
			<b>£</b>
	Balance at 1 September 2013		(599,965)
	Loss for the year		(577,523)
			<u>(1,177,488)</u>
	Balance at 30 August 2014		<u><u>(1,177,488)</u></u>
<b>16</b>	<b>Reconciliation of movements in Shareholders' funds</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Loss for the financial year	(577,523)	(600,389)
	Opening Shareholders' funds	(599,963)	426
		<u>(1,177,486)</u>	<u>(599,963)</u>
	Closing Shareholders' funds	<u><u>(1,177,486)</u></u>	<u><u>(599,963)</u></u>

# D.F. WISHART & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 AUGUST 2014

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#### 17 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 was £4,726,127 (2013: £4,714,660).

The company is in a VAT group with Stax Trade Centres plc. At 30 August 2014 there was a contingent liability of £816,286 (2013: £792,508) in respect of VAT liabilities owed.

#### 18 Financial commitments

At 30 August 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 August 2015:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	1,288	7,933
Between two and five years	210,000	210,000	28,715	16,322
	<u>210,000</u>	<u>210,000</u>	<u>30,003</u>	<u>24,255</u>

#### 19 Control

The ultimate parent company is Stax Trade Centres plc. A copy of the parent's accounts are available from Companies House.

#### 20 Related party relationships and transactions

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