

**Key-Tech (Scotland) Limited**  
**Abbreviated Accounts**  
**30th April 2016**



**CONDIE & CO**  
Chartered Accountants & Statutory Auditor  
10 Abbey Park Place  
Dunfermline  
Fife  
KY12 7NZ

# **Key-Tech (Scotland) Limited**

## **Abbreviated Accounts**

**Year Ended 30th April 2016**

---

<b>Contents</b>	<b>Page</b>
Independent Auditor's Report to the Company	<b>1</b>
Abbreviated Balance Sheet	<b>2</b>
Notes to the Abbreviated Accounts	<b>3</b>

---

# Key-Tech (Scotland) Limited

## Independent Auditor's Report to Key-Tech (Scotland) Limited

### UNDER SECTION 449 OF THE COMPANIES ACT 2006

---

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Key-Tech (Scotland) Limited for the year ended 30th April 2016 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 auditor's 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 Auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 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.

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 are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



**George Primrose (Senior Statutory Auditor)**

For and on behalf of  
CONDIE & CO  
Chartered Accountants  
& Statutory Auditor

10 Abbey Park Place  
Dunfermline  
Fife  
KY12 7NZ

20th January 2017

# Key-Tech (Scotland) Limited

## Abbreviated Balance Sheet

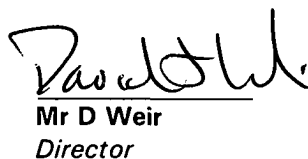
30th April 2016

		2016	2015
	Note	£	£
<b>Fixed Assets</b>	<b>2</b>		
Tangible assets		364,032	896,250
<b>Current Assets</b>			
Stocks		86,158	111,274
Debtors	3	1,753,369	2,259,919
Other Assets		406,772	-
Cash at bank and in hand		45,550	103,487
		2,291,849	2,474,680
<b>Creditors: Amounts Falling due Within One Year</b>	<b>4</b>	<b>1,244,759</b>	<b>1,822,649</b>
<b>Net Current Assets</b>		<b>1,047,090</b>	<b>652,031</b>
<b>Total Assets Less Current Liabilities</b>		<b>1,411,122</b>	<b>1,548,281</b>
<b>Provisions for Liabilities</b>		<b>93,759</b>	<b>60,195</b>
<b>Deferred Grants</b>	<b>5</b>	<b>-</b>	<b>7,333</b>
		<b>1,317,363</b>	<b>1,480,753</b>
<b>Capital and Reserves</b>			
Called up equity share capital	6	51,189	51,189
Share premium account		11,664	11,664
Profit and loss account		1,254,510	1,417,900
<b>Shareholders' Funds</b>		<b>1,317,363</b>	<b>1,480,753</b>

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on 18th January 2017, and are signed on their behalf by:

  
Mr J Spence  
Director

  
Mr D Weir  
Director

Company Registration Number: SC171778

The notes on pages 3 to 7 form part of these abbreviated accounts.

# Key-Tech (Scotland) Limited

## Notes to the Abbreviated Accounts

Year Ended 30th April 2016

---

### 1. Accounting Policies

#### Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

#### Turnover

Turnover represents amounts receivable for goods provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

#### Fixed Assets

All fixed assets are initially recorded at cost. Fixed assets that are expected to be sold within 12 months of the balance sheet date are classified within current assets as other assets.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Heritable Property	-	2% Straight Line
Leasehold Improvements	-	7.7% Straight Line
Plant & Machinery	-	20% Straight Line
Fixtures & Fittings	-	20% Straight Line
Motor Vehicles	-	25% Straight Line
Computer Equipment	-	33% Straight Line

#### Stocks

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

#### Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

#### Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

---

# Key-Tech (Scotland) Limited

## Notes to the Abbreviated Accounts

Year Ended 30th April 2016

---

### 1. Accounting Policies *(continued)*

#### **Provisions for Liabilities and Charges**

Provisions against expected cost under guarantees or agreements are charged to the profit and loss account and credited to liabilities and charges in the balance sheet where there is a present obligation resulting from a past event and the outflow of economic benefits is probable and measureable.

#### **Deferred Taxation**

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### **Foreign Currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

#### **Deferred Government Grants**

Government grants relating to tangible fixed assets are shown under liabilities and charges in the balance sheet. The amortisation charge for the year is released to the profit and loss account against the depreciation charge of the fixed asset or the expense to which the grant related.

# Key-Tech (Scotland) Limited

## Notes to the Abbreviated Accounts

Year Ended 30th April 2016

---

### 2. Fixed Assets

	Tangible Assets £
<b>Cost</b>	
At 1st May 2015	2,039,947
Additions	7,168
Transfers	(534,871)
<b>At 30th April 2016</b>	<u>1,512,244</u>
<b>Depreciation</b>	
At 1st May 2015	1,143,697
Charge for year	132,613
Transfers	(128,098)
<b>At 30th April 2016</b>	<u>1,148,212</u>
<b>Net Book Value</b>	
<b>At 30th April 2016</b>	<u>364,032</u>
At 30th April 2015	<u>896,250</u>

The property at Unit 1, Mitchelston Industrial Estate, Kirkcaldy with a net book value of £406,772 was transferred from fixed assets to current assets following its sale in July 2016.

### 3. Debtors

Debtors include amounts of £1,082,348 (2015 - £1,115,306) falling due after more than one year.

### 4. Creditors: Amounts Falling due Within One Year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2016 £	2015 £
Bank loans and overdrafts	133,913	302,390
Other creditors	116,884	197,559
	<u>250,797</u>	<u>499,949</u>

The Royal Bank of Scotland hold a standard security and bond and floating charge for all sums due over the assets of the company, and a fixed security over Unit 1 Midfield Road, Mitchelston Industrial Estate, Kirkcaldy.

# Key-Tech (Scotland) Limited

## Notes to the Abbreviated Accounts

Year Ended 30th April 2016

---

### 5. Deferred Grants

	2016	2015
	£	£
Received and receivable	120,000	120,000
Amortisation	(120,000)	(112,667)
	<u>-</u>	<u>7,333</u>

### 6. Share Capital

#### Authorised share capital:

	2016	2015
	£	£
50,000 Ordinary A shares of £1 each	50,000	50,000
50,000 Ordinary B shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

#### Allotted, called up and fully paid:

	2016		2015	
	No.	£	No.	£
Ordinary A shares of £1 each	50,000	50,000	50,000	50,000
Ordinary B shares of £1 each	1,189	1,189	1,189	1,189
	<u>51,189</u>	<u>51,189</u>	<u>51,189</u>	<u>51,189</u>

The holders of A ordinary shares have voting rights and are entitled to a dividend as and when declared by the board of directors. The holders of the B shares have no voting rights however they are entitled to a dividend as and when declared by the board of directors.

The value paid per share may differ per respective classes and is at the discretion of the board of directors.

### 7. Ultimate Parent Company

The ultimate parent company is Key-Tech Electronic Systems Limited, a company incorporated in Scotland.

During the year the company paid a management charge totalling £Nil (2015 - £10,000) and dividends of £99,000 (2015 - £74,634) to Key-Tech Electronic Systems Limited.

At 30th April 2016, the company was due the sum of £1,082,348 (2015 - £1,155,306) from Key-Tech Electronic Systems Limited.

### 8. Post Balance Sheet Events

On 7 July 2016 the property owned by the company at Interscott House, Midfield Road, Kirkcaldy was sold to and leased back from @SIPP (Pension Trustees) Limited. The lease term is fifteen years at £43,000 per annum with a rent review every five years. Jim Spence and David Weir, directors are members of the SIPP.

---