

Report of the Directors and  
Unaudited Financial Statements for the Year Ended 31 March 2021  
for  
Marine Diesel Services (Scotland) Ltd

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for the Year Ended 31 March 2021

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Marine Diesel Services (Scotland) Ltd

Company Information  
for the Year Ended 31 March 2021

**DIRECTORS:**

A M Davidson  
Mrs J M Davidson

**SECRETARY:**

Mrs J M Davidson

**REGISTERED OFFICE:**

Unit 5B  
Muir of Ord Industrial Estate  
Muir of Ord  
Ross-Shire  
IV6 7UA

**REGISTERED NUMBER:**

SC172858 (Scotland)

**ACCOUNTANTS:**

Stewart & Stewart Ltd.  
Chartered Accountants  
Achorn House  
34 Millbank Road  
Munlochy  
Ross-Shire  
IV8 8ND

Report of the Directors  
for the Year Ended 31 March 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of marine and plant repairs.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

A M Davidson  
Mrs J M Davidson

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

A M Davidson - Director

21 December 2021

Abridged Income Statement  
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
<b>GROSS PROFIT</b>		397,547	283,574
Administrative expenses		<u>207,091</u>	<u>209,179</u>
<b>OPERATING PROFIT</b>	4	<u>190,456</u>	<u>74,395</u>
Interest payable and similar expenses		<u>2,365</u>	<u>3,668</u>
<b>PROFIT BEFORE TAXATION</b>		<u>188,091</u>	<u>70,727</u>
Tax on profit		<u>36,380</u>	<u>14,134</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>151,711</u></u>	<u><u>56,593</u></u>

The notes form part of these financial statements

Abridged Balance Sheet  
31 March 2021

	Notes	31.3.21 £	£	31.3.20 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		63,770		78,534
<b>CURRENT ASSETS</b>					
Stocks		79,991		83,847	
Debtors		314,192		267,323	
Cash in hand		-		348	
		<u>394,183</u>		<u>351,518</u>	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>192,194</u>		<u>229,491</u>	
<b>NET CURRENT ASSETS</b>			<u>201,989</u>		<u>122,027</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			265,759		200,561
<b>CREDITORS</b>					
Amounts falling due after more than one year			(7,462)		(19,679)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(8,447)</u>		<u>(10,743)</u>
<b>NET ASSETS</b>			<u>249,850</u>		<u>170,139</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			2		2
Retained earnings			<u>249,848</u>		<u>170,137</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>249,850</u>		<u>170,139</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 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
- (b) 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.

Abridged Balance Sheet - continued  
31 March 2021

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

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 31 March 2021 in accordance with Section 444(2A) of the Companies Act 2006.

The financial statements were approved by the Board of Directors and authorised for issue on 21 December 2021 and were signed on its behalf by:

A M Davidson - Director

Notes to the Financial Statements  
for the Year Ended 31 March 2021

1. **STATUTORY INFORMATION**

Marine Diesel Services (Scotland) Ltd 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.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract. Turnover is recognised when the amount of turnover can be measured reliably, it is probable that the Company will receive the consideration due under the contract, the stage of completion of the contract at the end of the reporting period can be measured reliably and when the costs incurred and the costs to complete the contract can be measured reliably.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% on cost
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price and are subsequently measured as follows: Debt instruments are subsequently measured at amortised cost and commitments to receive a loan and to make a loan to another entity are subsequently measured at amortised cost. Where investments in non convertible preference shares and non puttable ordinary or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

All other financial instruments, including derivatives, are initially recognised at fair value, which is normally the transaction price and are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss immediately.

All equity investments regardless of significance, and other financial assets that are individually significant, are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit and loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**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.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

2. **ACCOUNTING POLICIES - continued**

**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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2020 - 6) .

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	<u>18,102</u>	<u>22,923</u>

5. **DIVIDENDS**

	31.3.21	31.3.20
	£	£
Ordinary shares of £1.00 each		
Interim	<u>72,000</u>	<u>70,000</u>

6. **TANGIBLE FIXED ASSETS**

**COST**

At 1 April 2020	252,016
Additions	<u>3,338</u>
At 31 March 2021	<u>255,354</u>

**DEPRECIATION**

At 1 April 2020	173,482
Charge for year	<u>18,102</u>
At 31 March 2021	<u>191,584</u>

**NET BOOK VALUE**

At 31 March 2021	<u>63,770</u>
At 31 March 2020	<u>78,534</u>

Totals  
£

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**7. SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.21	31.3.20
	£	£
Hire purchase contracts	<u>19,679</u>	<u>31,896</u>

The bank loan is secured by a floating charge over the assets of the company in favour of The Bank of Scotland.

The Bank of Scotland also hold a standard security over the industrial unit owned by the company.

Hire purchase liabilities are secured on the asset to which they relate.

**8. OTHER FINANCIAL COMMITMENTS**

The company had total guarantees and commitments at the balance sheet date of £3,431 (2020: £3,661).

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

The following advances and credits to directors subsisted during the years ended 31 March 2021 and 31 March 2020:

	31.3.21	31.3.20
	£	£
<b>A M Davidson</b>		
Balance outstanding at start of year	30,296	34,182
Amounts advanced	43,468	39,313
Amounts repaid	(45,504)	(43,199)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>28,260</u>	<u>30,296</u>
<b>Mrs J M Davidson</b>		
Balance outstanding at start of year	27,027	33,098
Amounts advanced	46,125	37,343
Amounts repaid	(45,504)	(43,414)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>27,648</u>	<u>27,027</u>

The loans to the directors are unsecured, interest free and have no fixed terms of repayment.

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