

**GRAY & ADAMS (BEDFORD) LIMITED**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2016**

WEDNESDAY



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30/11/2016 #477  
COMPANIES HOUSE

# GRAY & ADAMS (BEDFORD) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mark Grant James J Gray Peter Gray
<b>Secretary</b>	John Smith
<b>Company number</b>	SC380674
<b>Registered office</b>	South Road FRASERBURGH AB43 9HU
<b>Auditor</b>	Johnston Carmichael LLP Bishop's Court 29 Albyn Place ABERDEEN AB10 1YL
<b>Business address</b>	Unit 3, Wilstead Industrial Park Kenneth Way BEDFORD MK45 3PD
<b>Solicitors</b>	Brown & McRae Anderson House 9-11 Firthside Street FRASERBURGH AB43 9AB

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# GRAY & ADAMS (BEDFORD) LIMITED

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# GRAY & ADAMS (BEDFORD) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 APRIL 2016**

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The directors present their annual report and financial statements for the year ended 30 April 2016.

### **Principal activities**

The principal activity of the company continued to be that of the repair of refrigerated and rigid trailers.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mark Grant  
James J Gray  
Peter Gray

### **Results and dividends**

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### **Auditor**

The auditor, Johnston Carmichael LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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

The directors are responsible for preparing the Annual 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;
- 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.

# GRAY & ADAMS (BEDFORD) LIMITED

## DIRECTORS' REPORT (CONTINUED)


**FOR THE YEAR ENDED 30 APRIL 2016**

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### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

On behalf of the board

  
James J. Gray  
Director  
12/09/2016

# **GRAY & ADAMS (BEDFORD) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF GRAY & ADAMS (BEDFORD) LIMITED**

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We have audited the financial statements of Gray & Adams (Bedford) Limited for the year ended 30 April 2016 set out on pages 5 to 18. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 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 auditor**

As explained more fully in the Directors' Report 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 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 April 2016 and of its profit 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 matters prescribed by the Companies Act 2006**

In our opinion the information given in the the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# GRAY & ADAMS (BEDFORD) LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

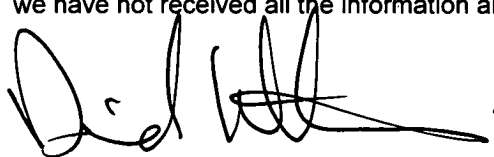
### TO THE MEMBERS OF GRAY & ADAMS (BEDFORD) LIMITED

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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.



David Wilson (Senior Statutory Auditor)  
for and on behalf of Johnston Carmichael LLP

12/09/2016

Chartered Accountants  
Statutory Auditor

Bishop's Court  
29 Albyn Place  
ABERDEEN  
AB10 1YL

# GRAY & ADAMS (BEDFORD) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2015 £
Turnover	3	801,051	1,157,897
Cost of sales		(492,078)	(804,599)
<b>Gross profit</b>		<b>308,973</b>	<b>353,298</b>
Administrative expenses		(326,510)	(373,633)
Other operating income		483,000	-
<b>Operating profit/(loss)</b>	<b>4</b>	<b>465,463</b>	<b>(20,335)</b>
Interest receivable and similar income	5	260	189
<b>Profit/(loss) before taxation</b>		<b>465,723</b>	<b>(20,146)</b>
Taxation	6	14,136	3,920
<b>Profit/(loss) for the financial year</b>		<b>479,859</b>	<b>(16,226)</b>
<b>Total comprehensive loss for the year</b>		<b>479,859</b>	<b>(16,226)</b>

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




# GRAY & ADAMS (BEDFORD) LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	7		53,354		52,659
Investments	8		100		100
			<u>53,454</u>		<u>52,759</u>
<b>Current assets</b>					
Stocks	9	55,969		42,203	
Debtors	10	270,787		222,189	
Cash at bank and in hand		73,182		249,787	
		<u>399,938</u>		<u>514,179</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(409,072)</u>		<u>(1,001,718)</u>	
<b>Net current liabilities</b>			<u>(9,134)</u>		<u>(487,539)</u>
<b>Total assets less current liabilities</b>			<u>44,320</u>		<u>(434,780)</u>
<b>Creditors: amounts falling due after more than one year</b>	12		(73,300)		(73,300)
<b>Provisions for liabilities</b>	13		(312)		(1,071)
<b>Net liabilities</b>			<u>(29,292)</u>		<u>(509,151)</u>
<b>Capital and reserves</b>					
Called up share capital	16	167,000		167,000	
Profit and loss reserves		(196,292)		(676,151)	
<b>Total deficit</b>			<u>(29,292)</u>		<u>(509,151)</u>

The financial statements were approved by the board of directors and authorised for issue on 12/09/2016 and are signed on its behalf by:

  
James J Gray  
Director

Company Registration No. SC380674

# GRAY & ADAMS (BEDFORD) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2016

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	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 May 2014		167,000	(659,925)	(492,925)
Period ended 30 April 2015:				
Loss and total comprehensive income for the year		-	(16,226)	(16,226)
Balance at 30 April 2015		167,000	(676,151)	(509,151)
Period ended 30 April 2016:				
Profit and total comprehensive income for the year		-	479,859	479,859
Balance at 30 April 2016		167,000	(196,292)	(29,292)

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# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

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### 1 Accounting policies

#### Company information

Gray & Adams (Bedford) Limited is a company limited by shares incorporated in Scotland. The registered office is South Road, FRASERBURGH, AB43 9HU.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006. The financial statements have been prepared to 29 April 2016 (2015 - 24 April 2015).

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2016 are the first financial statements of Gray & Adams (Bedford) Limited prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 May 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company qualifies to use the reduced disclosure framework under paragraphs 1.08 to 1.13 of FRS 102 and has claimed exemptions as follows:

- Section 7 relating to cash flows;
- Section 11 paragraphs 11.39 to 11.48A relating to financial instrument disclosures; and
- Section 33 paragraph 33.7 relating to key management personnel remuneration.

The company's results are included in the consolidated financial statements of Gray & Adams Holdings Limited, the ultimate parent company, which are intended to show a true and fair view. Copies of the consolidated financial statements can be obtained from Companies House.

#### 1.2 Going concern

Gray & Adams Holdings Limited, the ultimate parent company, has confirmed that it will provide additional funding, if required, to enable the company to meet its liabilities as they fall due for a period of at least twelve months from the signing date of these financial statements. This includes a commitment not to seek repayment of intercompany loans extended to the company by other group companies unless the company has sufficient cash to make such repayments. Accordingly, it is considered appropriate to prepare the accounts on the going concern basis.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised at the point at which the company has performed its obligations and is entitled to receive consideration for that performance.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the provision of services is recognised in the period in which the service is performed.

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

### 1 Accounting policies

(Continued)

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Stock and work in progress

Stocks and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2016

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#### 1 Accounting policies

(Continued)

##### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, 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.

##### **Impairment of financial assets**

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

##### **Derecognition of financial assets**

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 an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

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### 1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables 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 or are discharged or cancelled.

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

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### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

#### 1.15 Financial liabilities

Preference shares with a redemption clause are recorded as a financial liability within "Creditors: Amounts falling due after more than one year".

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Depreciation

Depreciation is provided based on the estimated useful economic life of each class of asset, which is judgement exercised by management. Depreciation is taken to the profit or loss in order to write the asset over its useful economic life.

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
<b>Turnover</b>		
Provision of services	801,051	1,157,897

#### Other significant revenue

Interest income	260	189
Write off of intercompany debt	483,000	-

#### Turnover analysed by geographical market

	2016 £	2015 £
United Kingdom	801,051	1,157,897

### 4 Operating profit/(loss)

	2016 £	2015 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange losses/(gains)	(162)	763
Fees payable to the company's auditor for the audit of the company's financial statements	6,750	3,600
Depreciation of owned tangible fixed assets	17,137	11,852
Loss on disposal of tangible fixed assets	405	-
Cost of stocks recognised as an expense	215,387	421,453
Operating lease charges	99	1,141

### 5 Interest receivable and similar income

	2016 £	2015 £
<b>Interest income</b>		
Interest on bank deposits	260	189

### 6 Taxation

	2016 £	2015 £
<b>Current tax</b>		
Adjustments in respect of prior periods	(136)	-
Group tax relief	(13,241)	(2,707)
<b>Total current tax</b>	<b>(13,377)</b>	<b>(2,707)</b>



# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

### 6 Taxation

(Continued)

#### Deferred tax

Origination and reversal of timing differences	(654)	(1,213)
Changes in tax rates	(107)	-
Adjustment in respect of prior periods	2	-
	<u>          </u>	<u>          </u>
Total deferred tax	(759)	(1,213)
	<u>          </u>	<u>          </u>
 Total tax charge	 (14,136)	 (3,920)
	<u>          </u>	<u>          </u>

The charge for the year can be reconciled to the profit/(loss) per the profit and loss account as follows:

	2016 £	2015 £
Profit/(loss) before taxation	465,723	(20,146)
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.92%)	93,145	(4,214)
Tax effect of expenses that are not deductible in determining taxable profit	81	-
Tax effect of income not taxable in determining taxable profit	(96,600)	-
Adjustments in respect of prior years	(134)	-
Group relief	(10,593)	294
Adjust closing deferred tax to average rate	(35)	-
	<u>          </u>	<u>          </u>
Tax expense for the year	(14,136)	(3,920)
	<u>          </u>	<u>          </u>

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2016

### 7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 May 2015	82,456	30,779	16,438	129,673
Additions	-	2,732	15,535	18,267
Disposals	-	-	(4,196)	(4,196)
At 30 April 2016	82,456	33,511	27,777	143,744
<b>Depreciation and impairment</b>				
At 1 May 2015	46,630	16,957	13,457	77,044
Depreciation charged in the year	6,050	4,183	6,904	17,137
Eliminated in respect of disposals	-	-	(3,791)	(3,791)
At 30 April 2016	52,680	21,140	16,570	90,390
<b>Carrying amount</b>				
At 30 April 2016	29,776	12,371	11,207	53,354
At 30 April 2015	24,203	14,228	14,228	52,659

### 8 Fixed asset investments

	2016 £	2015 £
Unlisted investments	100	100

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 May 2015 & 30 April 2016	100
<b>Carrying amount</b>	
At 30 April 2016	100
At 30 April 2015	100

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 9 Stocks

	2016 £	2015 £
Raw materials and consumables	42,180	24,649
Work in progress	13,789	17,554
	<u>55,969</u>	<u>42,203</u>

### 10 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	136,730	188,165
Other debtors	34,568	34,024
	<u>171,298</u>	<u>222,189</u>

#### Amounts falling due after one year:

Amounts due from fellow group undertakings	<u>99,489</u>	<u>-</u>
<b>Total debtors</b>	<u>270,787</u>	<u>222,189</u>

### 11 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	116,782	70,632
Amounts due to fellow group undertakings	180,444	598,043
Other taxation and social security	30,302	28,694
Other creditors	-	285,000
Accruals and deferred income	81,544	19,349
	<u>409,072</u>	<u>1,001,718</u>

### 12 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Preference shares	<u>73,300</u>	<u>73,300</u>

The preferred ordinary shares are redeemable by the holder.

# GRAY & ADAMS (BEDFORD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 13 Provisions for liabilities

		2016 £	2015 £
Deferred tax liabilities	14	312	1,071
		<u>312</u>	<u>1,071</u>

### 14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
<b>Balances:</b>		
Accelerated capital allowances	312	1,071
	<u>312</u>	<u>1,071</u>
<b>Movements in the year:</b>		2016 £
Liability at 1 May 2015		1,071
Credit to profit and loss		(759)
		<u>312</u>
Liability at 30 April 2016		<u>312</u>

### 15 Retirement benefit schemes

#### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £1,042 (2015 - £-).

### 16 Share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
167,000 Ordinary share capital of £1 each	167,000	167,000
	<u>167,000</u>	<u>167,000</u>

### 17 Related party transactions

#### Transactions with related parties

No guarantees have been given or received.

# **GRAY & ADAMS (BEDFORD) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2016**

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### **17 Related party transactions**

**(Continued)**

The company has taken advantage of the exemption in FRS 102 Section 33.1A from the requirement to disclose transactions with 100% owned group companies.

During the year the company made sales of £25,335 (2015: £34,995) and purchases of £68,084 (2015: £41,961) from related parties under common control.

At the year end the company was due £nil (2015: £13,144) and owed £9,666 (2015: £69,601) to related parties under common control.

### **18 Controlling party**

The company's ultimate parent company is Gray & Adams Holdings Limited. No one individual controls Gray & Adams Holdings Limited. The results of the company are consolidated within the financial statements of Gray & Adams Holdings Limited and the consolidated financial statements can be obtained from Companies House.