

REGISTERED NUMBER: SC122516 (Scotland)

COMPANIES HOUSE

**A K P SCOTLAND LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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15/08/2019

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COMPANIES HOUSE

Milne Craig  
Chartered accountants  
Statutory auditor  
Abercorn House  
79 Renfrew Road  
Paisley  
Renfrewshire  
PA3 4DA

**A K P SCOTLAND LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2019**

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**A K P SCOTLAND LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2019**

<b>DIRECTORS:</b>	Ian Kerr McEwan Martin Rowley
<b>SECRETARY:</b>	Moirra Murdoch
<b>REGISTERED OFFICE:</b>	31 Carron Place Kelvin Industrial Estate East Kilbride Glasgow G75 0YL
<b>REGISTERED NUMBER:</b>	SC122516 (Scotland)
<b>AUDITORS:</b>	Milne Craig Chartered accountants Statutory auditor Abercorn House 79 Renfrew Road Paisley Renfrewshire PA3 4DA
<b>BANKERS:</b>	Clydesdale Bank 227 Fenwick Road Giffnock Glasgow G46 6JG

**A K P SCOTLAND LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

The principal activity of the company is the provision of project management services to the construction industry.

**REVIEW OF BUSINESS**

The key financial highlights are as follows:

	Year to 31st March 2019 £	Year to 31st March 2018 £	Year to 31st March 2017 £
Turnover	16,698,530	13,604,815	16,737,837
Turnover growth	22.74%	-18.72%	43.02%
Profit (loss) before tax	837,286	76,772	504,804

The net assets of the company have increased from £1,524,148 at 31st March 2018 to £1,671,685 at 31st March 2019.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Competitive pressure has increased in the market place and the directors strive to ensure that margins and profitability remain consistent year on year.

In addition the directors seek to control overhead costs in order to maintain the profitability of the company.

**FUTURE DEVELOPMENTS**

The directors aim to maintain the management policies adopted during the period ended 31st March 2019 and consider the company is well placed to take advantage of opportunities which may arise in the current year.

**FINANCIAL INSTRUMENTS**

The company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to finance the company's operations.

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

**ENVIRONMENT**

The company recognises the importance of its environmental responsibilities and has policies in place to manage its impact on the environment.

**ON BEHALF OF THE BOARD:**



Ian Kerr McEwan - Director

12 August 2019

**A K P SCOTLAND LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of project management services to the construction industry.

**DIVIDENDS**

The total distribution of dividends for the period ended 31st March 2019 will be £531,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

Ian Kerr McEwan  
Martin Rowley

**POLITICAL DONATIONS AND EXPENDITURE**

Donations amounting to £3,398 were made by the company during the year.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Milne Craig, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



Ian Kerr McEwan - Director

12 August 2019

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF A K P SCOTLAND LIMITED**

### **Opinion**

We have audited the financial statements of A K P Scotland Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Income and Retained Earnings, Balance Sheet, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
A K P SCOTLAND LIMITED**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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 a Report of the Auditors 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.



Shona Malcolm BAcc CA (Senior Statutory Auditor)  
for and on behalf of Milne Craig  
Chartered accountants  
Statutory auditor  
Abercorn House  
79 Renfrew Road  
Paisley  
Renfrewshire  
PA3 4DA

12 August 2019

**A K P SCOTLAND LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	3	16,698,530	13,604,815
Cost of sales		(14,531,326)	(12,159,334)
<b>GROSS PROFIT</b>		2,167,204	1,445,481
Administrative expenses		(1,350,899)	(1,395,239)
		816,305	50,242
Other operating income		18,187	20,537
<b>OPERATING PROFIT</b>		834,492	70,779
Interest receivable and similar income		2,794	5,993
<b>PROFIT BEFORE TAXATION</b>	5	837,286	76,772
Tax on profit	6	(158,749)	(17,056)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		678,537	59,716
Retained earnings at beginning of year		1,523,946	1,522,230
Dividends	7	(531,000)	(58,000)
<b>RETAINED EARNINGS AT END OF YEAR</b>		1,671,483	1,523,946

The notes form part of these financial statements



**A K P SCOTLAND LIMITED (REGISTERED NUMBER: SC122516)**

**BALANCE SHEET  
31 MARCH 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	8	13,518	24,206
<b>CURRENT ASSETS</b>			
Stocks	9	533,813	662,811
Debtors	10	2,066,151	2,177,379
Cash at bank and in hand		1,724,553	1,509,232
		<u>4,324,517</u>	<u>4,349,422</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>2,665,937</u>	<u>2,847,666</u>
<b>NET CURRENT ASSETS</b>		<u>1,658,580</u>	<u>1,501,756</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,672,098	1,525,962
<b>PROVISIONS FOR LIABILITIES</b>	14	<u>413</u>	<u>1,814</u>
<b>NET ASSETS</b>		<u><u>1,671,685</u></u>	<u><u>1,524,148</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	200	200
Capital redemption reserve	16	2	2
Retained earnings	16	1,671,483	1,523,946
<b>SHAREHOLDERS' FUNDS</b>		<u><u>1,671,685</u></u>	<u><u>1,524,148</u></u>

The financial statements were approved by the Board of Directors on 12 August 2019 and were signed on its behalf by:



Ian Kerr McEwan - Director

**A K P SCOTLAND LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	336,259	78,598
Tax paid		(20,701)	(95,910)
Net cash from operating activities		<u>315,558</u>	<u>(17,312)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6,245)	(3,448)
Interest received		2,794	5,993
Net cash from investing activities		<u>(3,451)</u>	<u>2,545</u>
<b>Cash flows from financing activities</b>			
Amount introduced by directors		34,214	-
Amount withdrawn by directors		-	(27,985)
Equity dividends paid		(131,000)	(58,000)
Net cash from financing activities		<u>(96,786)</u>	<u>(85,985)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>215,321</u>	<u>(100,752)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	1,509,232	1,609,984
<b>Cash and cash equivalents at end of year</b>	2	<u><u>1,724,553</u></u>	<u><u>1,509,232</u></u>

The notes form part of these financial statements

**A K P SCOTLAND LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2019**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	837,286	76,772
Depreciation charges	16,929	32,488
Loss on disposal of fixed assets	4	1
Finance income	(2,794)	(5,993)
	<u>851,425</u>	<u>103,268</u>
Decrease/(increase) in stocks	983,018	(32,876)
(Increase)/decrease in trade and other debtors	(767,330)	1,070,814
Decrease in trade and other creditors	(730,854)	(1,062,608)
	<u>336,259</u>	<u>78,598</u>
<b>Cash generated from operations</b>	<u><u>336,259</u></u>	<u><u>78,598</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2019**

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	<u>1,724,553</u>	<u>1,509,232</u>

**Year ended 31 March 2018**

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	<u>1,509,232</u>	<u>1,609,984</u>

## **A K P SCOTLAND LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **1. STATUTORY INFORMATION**

AKP Scotland Limited, is a private company, limited by shares, registered in Scotland. The company's registered number is SC122516 and registered office address is 31 Carron Place, Kelvin Industrial Estate, East Kilbride, Glasgow, G75 0YL.

The nature of the company's operations and its principal activities was that of project management services to the construction industry.

#### **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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 £.

##### **Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Critical accounting judgements & key sources of estimation uncertainty**

In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

##### **Turnover**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Consideration is given to the point at which the company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due;
- the costs incurred 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.

Plant and machinery	- 15% -25% on cost
Fixtures and fittings	- 15% - 33.3% straight line
Motor vehicles	- 25% on cost

## **A K P SCOTLAND LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019**

#### **2. ACCOUNTING POLICIES - continued**

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet 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 debtors and cash and bank balances, are initially measured at transaction price including transactions 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. Financial assets classified as receivable within one year are not amortised.

##### 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.

##### Basic financial liabilities

Basic financial liabilities, including creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**A K P SCOTLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

**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.

**Rental income**

Rental income is included in the period in which it is receivable.

# A K P SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019

### 2. ACCOUNTING POLICIES - continued

#### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

#### Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

### 3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2019 £	2018 £
Project management services	16,698,530	13,604,815
	<u>16,698,530</u>	<u>13,604,815</u>

### 4. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	1,919,302	2,487,469
Social security costs	164,537	206,871
Other pension costs	34,620	31,765
	<u>2,118,459</u>	<u>2,726,105</u>

# A K P SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019

### 4. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2019	2018
Office and administration	19	27
Labourers	24	28
	<u>43</u>	<u>55</u>

#### Defined Contribution Pension Scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in various independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £74,620 (2018 - £71,765) including contributions in respect of employees. There were outstanding contributions payable to the fund amounting to £Nil at 31st March, 2019 (2018 - £nil).

### 5. PROFIT BEFORE TAXATION

The profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	16,929	32,488
Loss on disposal of fixed assets	4	1
Auditors' remuneration	<u>12,000</u>	<u>12,000</u>

### 6. TAXATION

#### Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	161,675	22,226
Over provision in prior year	<u>(1,525)</u>	<u>-</u>
Total current tax	<u>160,150</u>	<u>22,226</u>
Deferred tax:		
Originating and reversal of timing differences	(1,401)	(4,803)
Effect of changes in tax rates	<u>-</u>	<u>(367)</u>
Total deferred tax	<u>(1,401)</u>	<u>(5,170)</u>
Tax on profit	<u>158,749</u>	<u>17,056</u>

UK corporation tax has been charged at 19% (2018 - 19%).



**A K P SCOTLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**6. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>837,286</u>	<u>76,772</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	159,084	14,587
Effects of:		
Expenses not deductible for tax purposes	1,023	2,683
Adjustments to tax charge in respect of previous periods	(1,525)	-
Deferred tax rate changes	(49)	(581)
Prior year adjustment - deferred tax	<u>216</u>	<u>367</u>
Total tax charge	<u>158,749</u>	<u>17,056</u>

Further reductions to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2016 on 02 September 2016. These reduce the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. The deferred tax assets and liabilities reflect these rates.

**7. DIVIDENDS**

	2019 £	2018 £
Interim - 'A' Ordinary	443,000	29,000
Interim - 'B' Ordinary	<u>88,000</u>	<u>29,000</u>
	<u>531,000</u>	<u>58,000</u>

**A K P SCOTLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**8. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2018	53,793	290,094	89,100	432,987
Additions	3,369	2,876	-	6,245
Disposals	(1,155)	(22,800)	-	(23,955)
At 31 March 2019	56,007	270,170	89,100	415,277
<b>DEPRECIATION</b>				
At 1 April 2018	52,670	283,317	72,794	408,781
Charge for year	459	4,245	12,225	16,929
Eliminated on disposal	(1,153)	(22,798)	-	(23,951)
At 31 March 2019	51,976	264,764	85,019	401,759
<b>NET BOOK VALUE</b>				
At 31 March 2019	4,031	5,406	4,081	13,518
At 31 March 2018	1,123	6,777	16,306	24,206

**9. STOCKS**

	2019 £	2018 £
Stocks	4,748	4,748
Long term contracts - Work in progress	529,065	658,063
	533,813	662,811

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	1,094,899	255,314
Amounts recoverable on long term contracts	627,011	1,481,031
Other debtors	45,219	66,587
Due by associated business	265,000	315,000
Director's current accounts	-	24,538
Prepayments	34,022	34,909
	2,066,151	2,177,379

**A K P SCOTLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade creditors	1,930,712	2,692,473
Amounts owed to group undertakings	404,878	4,878
Corporation tax	161,675	22,226
Social security and other taxes	69,602	67,024
Director's current accounts	9,676	-
Accrued expenses	89,394	61,065
	<u>2,665,937</u>	<u>2,847,666</u>

**12. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	46,000	47,800
Between one and five years	184,000	149,500
	<u>230,000</u>	<u>197,300</u>

**13. FINANCIAL INSTRUMENTS**

The carrying amount for each category of financial instrument is as follows:

	2019	2018
	£	£
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>4,324,517</u>	<u>4,349,422</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>2,665,937</u>	<u>2,847,666</u>

**14. PROVISIONS FOR LIABILITIES**

	2019	2018
	£	£
Deferred tax	<u>413</u>	<u>1,814</u>
		Deferred tax
		£
Balance at 1 April 2018		1,814
Originating and reversal of timing differences		(1,401)
Balance at 31 March 2019		<u>413</u>

# A K P SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019

### 14. PROVISIONS FOR LIABILITIES - continued

Deferred taxation provided for in the financial statements is set out below:

	2019 £	2018 £
Accelerated capital allowances	413	1,814
	<u>413</u>	<u>1,814</u>

### 15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2019 £	2018 £
100	'A' Ordinary	£1	<u>100</u>	<u>100</u>

Allotted and issued:

Number:	Class:	Nominal value: £1	2019 £	2018 £
100	'B' Ordinary	£1	<u>100</u>	<u>100</u>

### 16. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2018	1,523,946	2	1,523,948
Profit for the year	678,537		678,537
Dividends	(531,000)		(531,000)
At 31 March 2019	<u>1,671,483</u>	<u>2</u>	<u>1,671,485</u>

#### Retained earnings

Includes all current and prior year retained profits and losses less dividends.

#### Capital redemption reserve

Includes amounts arising from the redemption of shares from capital.

### 17. ULTIMATE PARENT COMPANY

The ultimate parent company is AKP Group Limited, a company incorporated in Scotland.

### 18. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year the directors benefited from an interest free, unsecured loan from the company. At 31 March 2019, the amount due by the company was £9,676 (2018 - amount due by the directors £24,538).

**A K P SCOTLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**19. RELATED PARTY DISCLOSURES**

During the period the company paid rent amounting to £46,000 (2018 - £47,500) to AKP Contracts Limited SSAS of which the director, Ian McEwan, is a beneficiary.

At 31st March, 2019 AKP Developments Limited, an associated company, owed the company £265,000 (2018 - £315,000).

At 31st March, 2019 the company owed £404,878 to its holding company, AKP Holdings Limited (2018 - £4,878).

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of these individuals is £88,000 (2018 - £88,000).

**20. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the director I McEwan, by virtue of his shareholding in the ultimate parent company.