Geoffrey (Tailor) Highland Crafts Limited

Abbreviated financial statements
31 March 1995

Registered number SC37721



Geoffrey (Tailor) Highland Crafts Limited

Balance sheet
at 31 March 1995

	Note	1995 £	1995 £	1994 £	1994 £
Fixed assets					
Tangible assets	2		**599,241**		622,583
Current assets					
Stocks		**638,753**		463,613	
Debtors		**42,367**		34,015	
Cash		**3,264**		2,885	
		684,384		500,513	
Creditors: amounts falling due within one year	3	**716,580**		597,317	
Net current liabilities			**(32,196)**		(96,804)
Total assets less liabilities			**567,045**		525,779
Creditors: amounts falling due in more than one year	4		**120,000**		123,401
			447,045		402,378
Capital and reserves					
Called up share capital	5		**47,000**		47,000
Profit and loss account	6		**74,215**		26,406
Revaluation reserve			**325,830**		328,972
Shareholders' funds - equity			**447,045**		402,378

The directors have taken advantage of the exemption conferred by Section A, Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The abbreviated financial statements were approved by the board of directors 26 January 1996 and were signed on its behalf by:

G Nicholsby
Director

L Nicholsby
Director

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of heritable property.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives, as follows:

Heritable property	1% straight line
Leasehold property	10% straight line
Motor vehicles	25% reducing balance
Motor boat	20% reducing balance
Fittings and equipment	20% reducing balance

Stocks

Stocks have been valued at the lower of cost or net realisable value.

Pension costs

The company operates a defined pension scheme, contributions are charged against profits on the amounts payable for the year.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding VAT) derived from the provision of goods and services to customers during the year.

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Notes *(continued)*

1. **Accounting policies** *(continued)*

Leases (continued)

All other lease are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

2. **Tangible fixed assets**

	Heritable property £	Leasehold property £	Motor vehicles £	Motor boat £	Fittings & equipment £	Total £
Cost or revaluation						
At beginning of year	520,001	35,695	149,487	42,547	85,923	833,653
Additions	-	-	-	-	7,442	7,442
At end of year	520,001	35,695	149,487	42,547	93,365	841,095
Depreciation						
At beginning of year	5,201	18,883	102,850	23,668	60,467	211,069
Charge for year	5,201	3,569	11,659	3,776	6,580	30,785
At end of year	10,402	22,452	114,509	27,444	67,047	241,854
Net book value						
31 March 1995	**509,599**	**13,243**	**34,978**	**15,103**	**26,318**	**599,241**
31 March 1994	514,800	16,812	46,637	18,879	25,456	622,584

Heritable property

The heritable property was revalued during 1993 by Robert Hall Partnership, Chartered Surveyors, using market values at 13 December 1993.

If stated under historical cost principle, the comparable amounts would be:

	1995 £	1994 £
Cost	**205,933**	205,933
Aggregate depreciation	**(22,164)**	(20,106)
	183,769	185,827

Motor vehicles

The net book value of motor vehicles includes an amount of £16,358 *(1994 - £21,811)* in respect of assets held under hire purchase contracts.

Notes *(continued)*

3. **Creditors: amounts falling due within one year**

The bank overdraft of £292,919 *(1994 - £234,731)* is secured by a first charge standard security over the company's property at 53-61 High Street, Edinburgh and a floating charge.

The hire purchase creditor of £3,399 *(1994 - £11,176)* is secured over certain assets included in motor vehicles.

4. **Creditors: amounts falling due after more than one year**

	1995 £	1994 £
Hire purchase	-	3,401
Loan from directors	**120,000**	120,000
	120,000	123,401

The loan from directors has no fixed term for repayment. Interest is payable monthly based on Bradford & Bingley Building Society mortgage rates.

5. **Called up share capital**

	1995 No	1995 £	1994 No	1994 £
Authorised				
Ordinary shares of £1 each	**50,000**	**50,000**	50,000	50,000
Allotted, called up and fully paid				
Ordinary shares of £1 each	**47,000**	**47,000**	47,000	47,000

6. **Reserves**

	Profit and loss account £
At beginning of year	10,716
Prior year adjustment	15,690
Opening balance restated	26,406
Retained profit for the year	44,667
Transfer of reserve arising from depreciation on revalued assets	3,142
At end of year	**74,215**

7. **Transactions with directors**

Included in other creditors is an amount due in respect of goods and services supplied to Geoffrey (Tailor) Highland Crafts of USA Inc, a company incorporated in the USA and wholly owned by Mr and Mrs G Nicholsby. This year the amount due was £3,106 *(1994 - Debtor £15,591)*.

During the year the directors received £9,332 in respect of interest payable on the "Loan from directors" *(1994 - £10,914)*.

KPMG

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Report of the auditors to the directors of Geoffrey (Tailor) Highland Crafts Limited Pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated financial statements on pages 1 to 4 together with the financial statements of Geoffrey (Tailor) Highland Crafts Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 1 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1995 and the abbreviated financial statements on pages 1 to 4 have been properly prepared in accordance with that Schedule.

Other information

On 26 January 1996 we reported as auditors of Geoffrey (Tailor) Highland Crafts Limited to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1995 and our report was as follows:

We have audited the financial statements on pages 4 to 13.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Report of the auditors to the directors of Geoffrey (Tailor) Highland Crafts Limited Pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985 *(continued)*

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

26 January 1996