Company Registration No. SC092467 (Scotland)

CHALMERS BAKERY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

PAGES FOR FILING WITH REGISTRAR

CHALMERS BAKERY LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 6

CHALMERS BAKERY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	**4**		92,686		132,921
Current assets					
Stocks		75,446		116,075	
Debtors	**5**	43,387		128,758	
Cash at bank and in hand		234,361		389,564	
		353,194		634,397	
Creditors: amounts falling due within one year	**6**	(154,008)		(228,899)	
Net current assets			199,186		405,498
Total assets less current liabilities			291,872		538,419
Capital and reserves					
Called up share capital	**7**		200,000		200,000
Profit and loss reserves			91,872		338,419
Total equity			291,872		538,419

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 25 January 2019 and are signed on its behalf by:

Ms P Chalmers
Director

Mr J A Chalmers
Director

Company Registration No. SC092467

1 Accounting policies

Company information

Chalmers Bakery Limited is a private company limited by shares incorporated in Scotland. The registered office and business address is 13 Auchmill Road, Bucksburn, ABERDEEN, AB21 9LB.

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" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Going concern

During the year ended 31 March 2018, the directors activated their restructuring plans which saw the disposal and/or closure of some of their business premises. This has continued since the year end with the directors being particularly keen to dispose of sites as a going concern where possible in order to safeguard the employment of their valued staff.

The future direction of the business following the restructuring plans has not yet been decided therefore the directors have concluded that a basis other than going concern is appropriate.

In adopting a basis other than going concern, the following policies and procedures were implemented:

- The carrying values of all assets have been reviewed and written down to recoverable amounts where necessary.

1.3 Turnover

Turnover represents amounts receivable from the manufacture and retailing of bakery produce, net of VAT. Turnover is recognised on the accruals basis.

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.

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.

1 Accounting policies **(Continued)**

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:

Freehold property	- 5% straight line
Leasehold property	- 5% straight line
Tennants improvements	- 5% straight line
Bakery plant	- 15% straight line
Shop and office fittings	- 15% and 20% straight line
Motor vehicles	- 25% straight line

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 period end date, the company reviews the carrying amounts of its tangible 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).

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials.

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.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks .

1.8 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs. Basic financial assets are assessed for indicators of impairment at each financial reporting date with any resulting impairment reflected through the profit and 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.

1 Accounting policies **(Continued)**

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, that are classified as debt, are recognised at transaction price unless the arrangement constitutes a financing transaction.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

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 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.

1.11 Retirement benefits

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

1.12 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Exceptional items

	2018	2017
	£	£
Gain on disposal of tangible fixed assets	213,814	-

As part of management's restructuring plans, three shops were sold in the year generating a gain on disposal.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 80 (2017 - 97).

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2017	1,098,093	1,223,910	2,322,003
Additions	23,338	285	23,623
Disposals	(61,879)	(13,750)	(75,629)
At 31 March 2018	1,059,552	1,210,445	2,269,997
Depreciation and impairment			
At 1 April 2017	1,051,646	1,137,436	2,189,082
Depreciation charged in the year	30,146	28,712	58,858
Eliminated in respect of disposals	(56,879)	(13,750)	(70,629)
At 31 March 2018	1,024,913	1,152,398	2,177,311
Carrying amount			
At 31 March 2018	34,639	58,047	92,686
At 31 March 2017	46,448	86,473	132,921

5 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Trade debtors	32,621	110,588
Other debtors	10,766	18,170
	43,387	128,758

6 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	97,050	161,843
Other taxation and social security	12,947	17,750
Other creditors	31,573	33,342
Accruals and deferred income	12,438	15,964
	154,008	228,899

7 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
200,000 Ordinary shares of £1 each	200,000	200,000
	200,000	200,000

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018	2017
	£	£
	425,584	467,334

This commitment relates to various property leases, the longest of which runs to 2056.

9 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2018	2017
Amounts owed to related parties	£	£
Key management personnel	20,752	16,077

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.