



Spirit of Thai Limited

Registered number: SC281349

Filleted unaudited financial statements

For the year ended 30 June 2017

THURSDAY



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SPIRIT OF THAI LIMITED

Registered number: SC281349

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	39,870	44,452
Current assets			
Stocks	5	3,000	3,000
Debtors: amounts falling due within one year	6	11,017	7,168
Cash at bank and in hand	7	408	1,476
		<u>14,425</u>	<u>11,644</u>
Creditors: amounts falling due within one year	8	<u>(212,259)</u>	<u>(225,672)</u>
Net current liabilities		<u>(197,834)</u>	<u>(214,028)</u>
Total assets less current liabilities		<u>(157,964)</u>	<u>(169,576)</u>
Net liabilities		<u>(157,964)</u>	<u>(169,576)</u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	<u>(158,064)</u>	<u>(169,676)</u>
		<u>(157,964)</u>	<u>(169,576)</u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

SPIRIT OF THAI LIMITED

Registered number: SC281349

**STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2017**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15/03/18

W M Lo
Director



The notes on pages 3 to 10 form part of these financial statements.

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. General information

Spirit of Thai Limited is a company limited by shares registered in Scotland. The company's registered office is 49 North Castle Street, Edinburgh, EH2 3BG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

Information on the impact of first-time adoption of FRS 102 is given in note 14. The date of transition to FRS 102 was 1 July 2015. The last set of financial statements prepared under old UK GAAP was in respect of the year ended 30 June 2016.

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

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis assumes that the company will continue to trade and meet its obligations as they fall due for at least 12 months from the date of approval of the financial statements.

The director recognises that the company relies on the financial support provided by his wife. C C M Tong has confirmed that she will not demand repayment of debt due from the company until such a time when repayment will not affect the company's ability to repay its creditors in the normal course of business.

Accordingly, the director considers that it is appropriate to prepare these financial statements on a going concern basis.

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.3 Revenue

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract 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 under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 5% straight line
Fixtures & fittings	- 15% straight line
Computer equipment	- 15% straight line
Kitchen equipment	- 15% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Stocks

Stocks of food and beverages are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.13 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The company has a deferred tax asset of approximately £70,000 (2016 - £77,000), based on a tax rate of 17% (2016 - 18%), principally relating to tax losses. The deferred tax asset has not been included in the financial statements as there is uncertainty over its immediate recoverability.

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

3. Employees

The average monthly number of employees, including the director, during the year was 4 (2016 - 5).

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

4. Tangible fixed assets

	Leasehold improve- ments £	Fixtures & fittings £	Computer equipment £	Kitchen equipment £	Total £
Cost					
At 1 July 2016	93,585	23,058	6,992	31,809	155,444
Additions	-	-	-	98	98
At 30 June 2017	93,585	23,058	6,992	31,907	155,542
Depreciation					
At 1 July 2016	49,133	23,058	6,992	31,809	110,992
Charge for the year	4,680	-	-	-	4,680
At 30 June 2017	53,813	23,058	6,992	31,809	115,672
Net book value					
At 30 June 2017	39,772	-	-	98	39,870
At 30 June 2016	44,452	-	-	-	44,452

5. Stocks

	2017 £	2016 £
Food and beverages	3,000	3,000

6. Debtors

	2017 £	2016 £
Trade debtors	267	187
Amounts owed by related undertaking (note 12)	8,800	-
Prepayments and accrued income	1,950	6,981
	11,017	7,168

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

7. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	408	1,476
	<u>408</u>	<u>1,476</u>

8. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	19,743	35,251
Amounts owed to related undertaking (note 12)	716	1,067
Amounts owed to related party (note 12)	178,013	175,064
Other taxation and social security	8,710	3,877
Accruals and deferred income	5,077	10,413
	<u>212,259</u>	<u>225,672</u>

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

9. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

10. Reserves

Profit & loss account

The profit and loss account includes all current and prior periods' retained profits and losses.

11. Pension commitments

The company makes payments to a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £365 (2016 - £121). Contributions totalling £6 (2016 - £21) were payable to the fund at the reporting date and are included in creditors.

12. Related party transactions

During the year, the company received a loan of £52,600 (2016 - £75,534) from Jasmine Holdings (Edinburgh) Limited, a company of which W M Lo is a director. The company has made payments of £75,800 (2016 - £105,600) to Jasmine Holdings (Edinburgh) Limited during the year. The company was also charged management fees of £14,400 (2016 - £14,400) by Jasmine Holdings (Edinburgh) Limited. During the year, £nil (2016 - £323) of payment was received on behalf of the company by Jasmine Holdings (Edinburgh) Limited. At the year end, the company was due £8,800 (2016 - £nil) from Jasmine Holdings (Edinburgh) Limited. In the prior year, a loan of £330,028 due to Jasmine Holdings (Edinburgh) Limited was waived.

At the year end, the company was due Greentea Restaurant Limited £716 (2016 - £1,067), a company of which W M Lo is a director.

During the year, C C M Tong, the wife of director, W M Lo, extended a loan of £39,250 (2016 - £41,000) to the company and the company made loan repayments to her of £36,301 (2016 - £30,300). The company also paid expenses of £nil (2016 - £3,689) on behalf of C C M Tong. At the year end, the company was due £178,013 (2016 - £175,064) to C C M Tong.

All of the balances noted above are unsecured, interest free and have no fixed terms of repayment.

13. Parent undertaking and controlling party

The company's parent undertaking is Sun Source Holdings Limited, a company registered in Hong Kong.

The ultimate controlling party of the company is W M Lo, by virtue of his shareholding in the parent undertaking.

SPIRIT OF THAI LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.