Company Registration No. SC290127 (Scotland)

THE ORTHODONTIC CLINIC LTD.

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 AUGUST 2017

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THE ORTHODONTIC CLINIC LTD.

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THE ORTHODONTIC CLINIC LTD.

BALANCE SHEET

AS AT 28 AUGUST 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	3		920,764		122,583
Current assets					
Stocks		40,493		45,661	
Debtors	4	855,977		776,413	
Cash at bank and in hand		532,872		637,585	
		1,429,342		1,459,659	
Creditors: amounts falling due within one year	5	(1,281,394)		(1,049,023)	
Net current assets			147,948		410,636
Total assets less current liabilities			1,068,712		533,219
Creditors: amounts falling due after more than one year	6		(454,711)		(55,249)
Deferred taxation liability			(6,986)		(9,668)
Net assets			607,015		468,302
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves			607,013		468,300
Total equity			607,015		468,302

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

THE ORTHODONTIC CLINIC LTD.

BALANCE SHEET (CONTINUED)

AS AT 28 AUGUST 2017

For the financial period ended 28 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her 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 period 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 and signed by the director and authorised for issue on 27 June 2018

Dr Lisa Currie
Director

Company Registration No. SC290127

1 Accounting policies

Company information

The Orthodontic Clinic Ltd. is a private company limited by shares incorporated in Scotland. The registered office is Johnstone House, 52-54 Rose Street, ABERDEEN, AB10 1HA.

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.

These financial statements for the period ended 28 August 2017 are the first financial statements of The Orthodontic Clinic Ltd. prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the provision of orthodontic services is recognised when the company has entitlement to the income in exchange for the provision of services.

1.3 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:

Freehold land and buildings	4% Straight line
Leasehold improvements	10% Straight Line
Plant and machinery	25% Straight Line
Fixtures, fittings & equipment	25% Straight Line
Computer equipment	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 Accounting policies **(Continued)**

1.4 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). 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.

1.5 Stocks

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

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.

1.6 Cash at bank and in hand

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

1.7 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.

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 and bank loans, 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.

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

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.

1.8 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 Accounting policies **(Continued)**

1.9 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.

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.

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.

1.11 Retirement benefits

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

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 17 (2016 - 17).

3 **Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 30 August 2016	146,817	339,985	486,802
Additions	852,135	5,753	857,888
At 28 August 2017	998,952	345,738	1,344,690
Depreciation and impairment			
At 30 August 2016	41,043	323,176	364,219
Depreciation charged in the period	48,910	10,797	59,707
At 28 August 2017	89,953	333,973	423,926
Carrying amount			
At 28 August 2017	908,999	11,765	920,764
At 29 August 2016	105,774	16,809	122,583

4 **Debtors**

Amounts falling due within one year:	2017 £	2016 £
Trade debtors	386,078	368,940
Other debtors	469,899	407,473
	855,977	776,413

5 **Creditors: amounts falling due within one year**

	2017	2016
	£	£
Bank loans and overdrafts	27,086	-
Trade creditors	98,779	98,000
Corporation tax	209,420	199,746
Other taxation and social security	6,888	6,993
Other creditors	939,221	744,284
	1,281,394	1,049,023

Bank borrowings are secured over the land and buildings.

Included in other creditors are obligations under finance leases amounting to £2,099 (2016 - £2,099). These are secured over the related assets.

6 **Creditors: amounts falling due after more than one year**

	2017	2016
	£	£
Bank loans and overdrafts	449,462	-
Other creditors	5,249	55,249
	454,711	55,249

Bank borrowings are secured over the land and buildings.

Included in other creditors are obligations under finance leases of £5,249 (2016 - £5,249). These are secured over the related assets.

Creditors which fall due after five years are as follows:	2017	2016
	£	£
Payable by instalments	302,173	-

7 **Called up share capital**

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	2	2

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:

	2017	2016
	£	£
	43,951	43,951

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.