

BRIDGEND GARDEN CENTRE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

BRIDGEND GARDEN CENTRE LIMITED

COMPANY INFORMATION

Directors	George McKinlay Caroline McKinlay Christina McKinlay
Company secretary	George McKinlay
Registered number	SC299082
Registered office	Ladybank Road Freuchie Fife KY15 7HY
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

		2017 £	2016 £
Fixed assets			
Tangible assets	5	<u>134,883</u>	<u>129,267</u>
		134,883	129,267
Current assets			
Stocks		118,600	120,620
Debtors: amounts falling due within one year	6	14,631	21,140
Bank and cash balances		<u>522,715</u>	<u>442,652</u>
		655,946	584,412
Creditors: amounts falling due within one year	7	<u>(177,947)</u>	<u>(173,266)</u>
Net current assets		<u>477,999</u>	<u>411,146</u>
Total assets less current liabilities		<u>612,882</u>	<u>540,413</u>
Provisions for liabilities			
Deferred tax		(20,053)	(20,940)
		<u>(20,053)</u>	<u>(20,940)</u>
Net assets		<u><u>592,829</u></u>	<u><u>519,473</u></u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		<u>592,729</u>	<u>519,373</u>
		<u><u>592,829</u></u>	<u><u>519,473</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2017

The directors consider 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 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 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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 June 2018.

George McKinlay
Director

The notes on pages 3 to 9 form part of these financial statements.

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

1. General information

The Company is limited by shares and incorporated in Scotland. The address of the registered office is Ladybank Road, Freuchie, Fife, Scotland, KY15 7HY.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £.

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

Transition to FRS 102-1A:

This is the first year that the Company has presented financial statements under FRS 102-1A. The last financial statements under existing UK GAAP were for the year ended 30 September 2016. The date of transition was 1 October 2015. It should be noted that the transition to FRS 102-1A resulted in no changes to the previously reported figures.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life.

The estimated useful lives range as follows:

Goodwill	-	10	years
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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 and on a reducing balance basis..

Depreciation is provided on the following basis:

Leasehold improvements	-	15% Straight line
Plant and machinery	-	20% Reducing balance
Motor vehicles	-	25% Reducing balance
Office equipment	-	33% 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 are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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 the Statement of income and retained earnings.

2.6 Financial instruments

The Company only enters into basic financial instrument 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.8 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 October 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 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.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2016 - 15).

4. Intangible assets

	Goodwill
	£
Cost	
At 1 October 2016	200,000
At 30 September 2017	200,000
Amortisation	
At 1 October 2016	200,000
At 30 September 2017	200,000
Net book value	
At 30 September 2017	-
At 30 September 2016	-

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

5. Tangible fixed assets

	Leasehold improve- ments £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 October 2016	173,780	196,276	34,899	10,947	415,902
Additions	33,422	1,767	-	-	35,189
At 30 September 2017	<u>207,202</u>	<u>198,043</u>	<u>34,899</u>	<u>10,947</u>	<u>451,091</u>
Depreciation					
At 1 October 2016	154,322	100,137	21,970	10,205	286,634
Charge for the year	6,438	19,244	3,232	660	29,574
At 30 September 2017	<u>160,760</u>	<u>119,381</u>	<u>25,202</u>	<u>10,865</u>	<u>316,208</u>
Net book value					
At 30 September 2017	<u>46,442</u>	<u>78,662</u>	<u>9,697</u>	<u>82</u>	<u>134,883</u>
At 30 September 2016	<u>19,458</u>	<u>96,139</u>	<u>12,929</u>	<u>742</u>	<u>129,268</u>

6. Debtors

	2017 £	2016 £
Trade debtors	-	6,155
Prepayments and accrued income	14,631	14,985
	<u>14,631</u>	<u>21,140</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	101,890	87,550
Other taxation and social security	57,016	63,512
Other creditors	15,198	16,787
Accruals and deferred income	3,843	5,417
	<u>177,947</u>	<u>173,266</u>

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

8. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

9. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 October 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 October 2015

	£
Equity at 1 October 2015 under previous UK GAAP	527,127
Amortisation movement	(90,000)
Equity shareholders funds at 1 October 2015 under FRS 102	437,127

Reconciliation of equity at 30 September 2016

	£
Equity at 30 September 2016 under previous UK GAAP	619,473
Amortisation movement	(100,000)
Equity shareholders funds at 30 September 2016 under FRS 102	519,473

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.