Scott-Moncrieff
business advisers and accountants

DEMON CATERING LIMITED

Company registration number SC306002

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

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DEMON CATERING LIMITED

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DEMON CATERING LIMITED

COMPANY INFORMATION

Directors	Ms J D Macdonald Mr D Macdonald
Company secretary	Ms J D Macdonald
Registered number	SC306002
Registered office	10 Ardross Street Inverness IV3 5NS
Accountants	Scott-Moncrieff Chartered Accountants 10 Ardross Street Inverness IV3 5NS

DEMON CATERING LIMITED
REGISTERED NUMBER:SC306002

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note		2017 £		*2016 £*
Fixed assets					
Intangible assets	5		**-**		*364*
Tangible assets	6		**7,116**		*11,800*
			7,116		*12,164*
Current assets					
Stocks	7	**1,500**		*1,500*	
Debtors: amounts falling due within one year	8	**7,107**		*9,066*	
Cash at bank and in hand		**463**		*956*	
		9,070		*11,522*	
Creditors: amounts falling due within one year	9	**(111,668)**		*(109,767)*	
Net current liabilities			**(102,598)**		*(98,245)*
Total assets less current liabilities			**(95,482)**		*(86,081)*
Creditors: amounts falling due after more than one year	10		**(22,114)**		*(25,352)*
Net liabilities			**(117,596)**		*(111,433)*

DEMON CATERING LIMITED
REGISTERED NUMBER:SC306002

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

	Note	2017 £	*2016 £*
Capital and reserves			
Called up share capital	13	**15,100**	*15,100*
Profit and loss account		**(132,696)**	*(126,533)*
		(117,596)	*(111,433)*

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 'Small Entities' of Financial Reporting Standard 102.

The company has opted not to file the directors report and 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 by:

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
J D Macdonald
Director

Date: 08/02/18.
The notes on pages 4 to 12 form part of these financial statements.

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 30 June 2017.

The continuing activities of Demon Catering Limited ('the company') is take-away food shops and mobile food stands.

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC306002.

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 applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

Before 1 July 2016 the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS 102, as issued by the Financial Reporting Council, and referred to as 'previous UK GAAP'. Information on the impact of first-time adoption of FRS 102 is given in note 17. The date of transition is 1 July 2015.

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

These financial statements have been prepared on a going concern basis. The directors are aware of the net current liability position of the company, and are reliant on the continued support of the bank and directors of the company to provide credit. The directors have confirmed they will not seek repayment of amount due to them to the detriment of other creditors. On this basis, it is considered appropriate to prepare the financial statements on a going concern basis.

2. Accounting policies (continued)

2.3 Revenue

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.

Rendering of services

Turnover 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 turnover 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 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.

2.5 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.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Short-term leasehold property	-		Over the length of the lease being 10 years
Plant and machinery	-	25%	Reducing balance
Motor vehicles	-	25%	Reducing balance

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.

2.6 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.

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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 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.

2.9 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 and loans from banks.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2. Accounting policies (continued)

2.9 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 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.

2.12 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

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 corporation 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with Section 1A of FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The directors are satisfied that accounting policies are appropriate and applied consistently. Key sources of accounting estimation have been applied to the depreciation rates which are deemed to be appropriate for the class of asset.

4. Employees

The average monthly number of employees, including directors, during the year was 10 *(2016 - 8)*.

5. Intangible assets

	Goodwill £
Cost	
At 1 July 2016	**43,740**
At 30 June 2017	**43,740**
Amortisation	
At 1 July 2016	**43,376**
Charge for the year	**364**
At 30 June 2017	**43,740**
Net book value	
At 30 June 2017	**-**
At 30 June 2016	*364*

6. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 2016	**37,946**	**29,040**	**7,592**	**74,578**
At 30 June 2017	**37,946**	**29,040**	**7,592**	**74,578**
Depreciation				
At 1 July 2016	**29,698**	**26,502**	**6,578**	**62,778**
Charge for the year on owned assets	**3,795**	**635**	**254**	**4,684**
At 30 June 2017	**33,493**	**27,137**	**6,832**	**67,462**
Net book value				
At 30 June 2017	**4,453**	**1,903**	**760**	**7,116**
At 30 June 2016	*8,248*	*2,538*	*1,014*	*11,800*

7. Stocks

	2017 £	*2016 £*
Raw materials and consumables	**1,500**	*1,500*
	1,500	*1,500*

8. Debtors

	2017 £	*2016 £*
Trade debtors	**2,443**	*3,136*
Other debtors	**3,888**	*5,154*
Tax	**776**	*776*
	7,107	*9,066*

9. Creditors: Amounts falling due within one year

	2017 £	*2016* *£*
Bank overdrafts	**6,846**	*6,860*
Bank loans	**3,007**	*2,774*
Trade creditors	**7,566**	*7,378*
Social security	**380**	*388*
Other creditors	**86,024**	*86,024*
Accruals and deferred income	**7,845**	*6,343*
	111,668	*109,767*

10. Creditors: Amounts falling due after more than one year

	2017 £	*2016* *£*
Bank loans	**22,114**	*25,352*
	22,114	*25,352*

Secured loans

The Royal Bank of Scotland holds a floating charge over all company assets.

11. Loans

	2017 £	*2016* *£*
Amounts falling due within one year		
Bank loans	**3,007**	*2,774*
	3,007	*2,774*
Amounts falling due 1-2 years		
Bank loans	**3,007**	*2,774*
	3,007	*2,774*
Amounts falling due 2-5 years		
Bank loans	**9,021**	*8,322*
	9,021	*8,322*
Amounts falling due after more than 5 years		
Bank loans	**10,085**	*14,256*
	10,085	*14,256*
	25,120	*28,126*

12. Provisions

At 30 June 2017

13. Share capital

	2017 £	*2016* *£*
Shares classified as equity		
Allotted, called up and fully paid		
15,100 Ordinary shares of £1 each	**15,100**	*15,100*

14. Related party transactions

D Macdonald
Company director

During the year the director introduced funds to the company totalling £nil (*2016 - £2,956*), and withdrew funds of £nil (*2016 - £269*).

Amount due to related party as at year end is £36,516 (*2016 - £36,516*)

Ms J Macdonald
Company director

During the year the director introduced funds to the company totalling £nil (*2016 - £2,956*) and withdrew funds of £nil (*2016 - £688*).

Amount due to related party as at year end is £49,510(*2016 - £49,510*).

Crownmont Limited
A company controlled by the directors

During the year the company received rent from Crownmont Limited of £3,550 (*2016 - £3,500*). During the year £5,000 of legal expenses were recharged by the company to Crownmont Limited.

Forse House Limited
A company controlled by the directors

During the year the company received rent from Forse House Limited of £14,552 (*2016 - nil*). During the year £5,000 of legal expenses were recharged by the company to Forse House Limited.

15. Controlling party

The company was under the control of the directors throughout the current and the prior year.

16. 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.