

RSM Trading Company Ltd

trading as The Anchor Inn

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2016

Roderick Gunkel & Associates Ltd
Orchardlea
Callander
FK17 8BG

RSM Trading Company Ltd
trading as The Anchor Inn

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RSM Trading Company Ltd
trading as The Anchor Inn

Company Information

Directors	Robert Stuart McQueen Steven Street
Registered office	Woodlea Garage Garelochhead G84 0EG
Bankers	Royal Bank of Scotland plc 2 Colquhoun Square Helensburgh G84 8SJ
Accountants	Roderick Gunkel & Associates Ltd Orchardlea Callander FK17 8BG

RSM Trading Company Ltd
trading as The Anchor Inn

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the company

The directors who held office during the year were as follows:

Robert Stuart McQueen

Steven Street

Principal activity

The principal activity of the company has been operating a village inn

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 14 August 2017 and signed on its behalf by:

.....
Steven Street
Director

RSM Trading Company Ltd
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Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and in accordance with FRS 102 Section 1A - Small Entities, the applicable Financial Reporting Standard. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
RSM Trading Company Ltd
trading as The Anchor Inn
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of RSM Trading Company Ltd for the year ended 31 December 2016 as set out on pages 5 to 14 from the company's accounting records and from information and explanations you have given us.

As a member of the Association of Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://rulebook.accaglobal.com>.

This report is made solely to the Board of Directors of RSM Trading Company Ltd, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the accounts of RSM Trading Company Ltd and state those matters that we have agreed to state to the Board of Directors of RSM Trading Company Ltd, as a body, in this report. This is in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.doc. And, to the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than RSM Trading Company Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that RSM Trading Company Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of RSM Trading Company Ltd. You consider that RSM Trading Company Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of RSM Trading Company Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Roderick Gunkel & Associates Ltd
Orchardlea
Callander
FK17 8BG

14 August 2017

RSM Trading Company Ltd
trading as The Anchor Inn

Profit and Loss Account for the Year Ended 31 December 2016

	Note	Total 31 December 2016 £	Total 31 December 2015 £
Turnover		372,500	269,113
Cost of sales		<u>(319,321)</u>	<u>(232,375)</u>
Gross profit		53,179	36,738
Administrative expenses		<u>(46,913)</u>	<u>(33,966)</u>
Operating profit		<u>6,266</u>	<u>2,772</u>
Interest payable and similar expenses		<u>(2,843)</u>	<u>(2,402)</u>
		<u>(2,843)</u>	<u>(2,402)</u>
Profit before tax	<u>3</u>	3,423	370
Taxation		<u>332</u>	<u>1,622</u>
Profit for the financial year		<u><u>3,755</u></u>	<u><u>1,992</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 9 to 14 form an integral part of these financial statements.

RSM Trading Company Ltd
trading as The Anchor Inn

(Registration number: SC329952)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	<u>4</u>	48,354	51,434
Tangible assets	<u>5</u>	308,166	311,512
		<u>356,520</u>	<u>362,946</u>
Current assets			
Stocks	<u>6</u>	8,040	7,863
Debtors	<u>7</u>	-	32,943
Cash at bank and in hand		<u>11,233</u>	<u>2,568</u>
		19,273	43,374
Creditors: Amounts falling due within one year	<u>8</u>	<u>(128,289)</u>	<u>(141,527)</u>
Net current liabilities		<u>(109,016)</u>	<u>(98,153)</u>
Total assets less current liabilities		247,504	264,793
Creditors: Amounts falling due after more than one year	<u>8</u>	(214,790)	(234,396)
Provisions for liabilities		<u>(5,738)</u>	<u>(7,176)</u>
Net assets		<u>26,976</u>	<u>23,221</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>26,876</u>	<u>23,121</u>
Total equity		<u>26,976</u>	<u>23,221</u>

The notes on pages 9 to 14 form an integral part of these financial statements.
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RSM Trading Company Ltd
trading as The Anchor Inn

(Registration number: SC329952)
Balance Sheet as at 31 December 2016

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 14 August 2017 and signed on its behalf by:

.....

Robert Stuart McQueen

Director

The notes on pages 9 to 14 form an integral part of these financial statements.

RSM Trading Company Ltd
trading as The Anchor Inn

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Profit and loss account £	Total £
At 1 January 2016	100	23,121	23,221
Profit for the year	-	3,755	3,755
Total comprehensive income	-	3,755	3,755
At 31 December 2016	100	26,876	26,976

	Share capital £	Profit and loss account £	Total £
At 1 January 2015	100	21,129	21,229
Profit for the year	-	1,992	1,992
Total comprehensive income	-	1,992	1,992
At 31 December 2015	100	23,121	23,221

The notes on pages 9 to 14 form an integral part of these financial statements.

RSM Trading Company Ltd
trading as The Anchor Inn

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in Scotland.

The address of its registered office is:

Woodlea Garage

Garelochhead

G84 0EG

These financial statements were authorised for issue by the Board on 14 August 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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RSM Trading Company Ltd
trading as The Anchor Inn

Notes to the Financial Statements for the Year Ended 31 December 2016

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

RSM Trading Company Ltd
trading as The Anchor Inn

Notes to the Financial Statements for the Year Ended 31 December 2016

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings, equipment	20-50% p.a reducing balance basis

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	4% p.a. straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

RSM Trading Company Ltd
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Notes to the Financial Statements for the Year Ended 31 December 2016

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Profit before tax

Arrived at after charging/(crediting)

	2016	2015
	£	£
Depreciation expense	13,520	11,930
Amortisation expense	3,080	3,080

RSM Trading Company Ltd
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Notes to the Financial Statements for the Year Ended 31 December 2016

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2016	76,744	76,744
At 31 December 2016	76,744	76,744
Amortisation		
At 1 January 2016	25,310	25,310
Amortisation charge	3,080	3,080
At 31 December 2016	28,390	28,390
Carrying amount		
At 31 December 2016	48,354	48,354
At 31 December 2015	51,434	51,434

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2016	299,355	144,918	444,273
Additions	6,895	3,280	10,175
At 31 December 2016	306,250	148,198	454,448
Depreciation			
At 1 January 2016	22,243	110,518	132,761
Charge for the year	3,445	10,076	13,521
At 31 December 2016	25,688	120,594	146,282
Carrying amount			
At 31 December 2016	280,562	27,604	308,166
At 31 December 2015	277,112	34,400	311,512

RSM Trading Company Ltd
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Notes to the Financial Statements for the Year Ended 31 December 2016

6 Stocks

	2016 £	2015 £
Stock for sale and business use	8,040	7,863

7 Debtors

	2016 £	2015 £
Trade debtors	-	32,943
Total current trade and other debtors	-	32,943

8 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and overdrafts	9	50,576	77,706
Trade creditors		5,586	1,246
Taxation and social security		14,745	6,609
Other creditors		57,382	55,966
		128,289	141,527
Due after one year			
Loans and borrowings	9	214,790	234,396

9 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Bank borrowings	214,790	234,396

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	16,000	15,000
Director current account	34,576	62,706
	50,576	77,706

RSM Trading Company Ltd
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Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016	2015
	£	£
Turnover (analysed below)	372,500	269,113
Cost of sales (analysed below)	<u>(319,321)</u>	<u>(232,375)</u>
Gross profit	<u>53,179</u>	<u>36,738</u>
Gross profit (%)		
Administrative expenses		
Employment costs (analysed below)	-	(33)
General administrative expenses (analysed below)	(34,027)	(23,707)
Finance charges (analysed below)	(3,136)	(2,066)
Depreciation costs (analysed below)	(16,600)	(15,010)
Other expenses (analysed below)	<u>6,850</u>	<u>6,850</u>
	<u>(46,913)</u>	<u>(33,966)</u>
Operating profit	6,266	2,772
Interest payable and similar charges (analysed below)	<u>(2,843)</u>	<u>(2,402)</u>
Profit before tax	<u>3,423</u>	<u>370</u>
	2016	2015
	£	£
Turnover		
Bar sales / cost of sales: Bar sales vat	205,141	198,145
Food sales / cost of sales: Food sales vat	85,414	57,058
Gaming machines: Gaming machine mgd	9,532	10,992
Accommodation: Accommodation sales gross	68,920	400
Gaming machines: Pool/Juke box vat	<u>3,493</u>	<u>2,518</u>
	<u>372,500</u>	<u>269,113</u>
Cost of sales		
Operating overheads: Bar sundries	1,797	1,952
Operating overheads: Bar entertainment	14,270	14,375
Operating overheads: Catering sundries	4,616	2,493
Bar sales / cost of sales: Stock adjustment +/-	100,519	92,545
Food sales / cost of sales: Stock adjustment	47,382	28,847
Gaming machines: Gaming machine rental etc	6,524	5,460
Operating overheads: Cleaning+laundrying	3,003	2,407
Operating overheads: Accommodation sundries	(160)	-
Operating overheads: Wages	107,180	70,953
Operating overheads: Wages employer NI	3,788	2,803
Operating overheads: Pension - autoenrolment	311	-

RSM Trading Company Ltd
trading as The Anchor Inn

Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016 £	2015 £
Operating overheads: Delivery costs	518	89
Operating overheads: M&R - fi&e	11,365	-
Operating overheads: Heat and light	11,145	6,205
Operating overheads: M&R - rooms	6,201	3,799
	<u>(319,321)</u>	<u>(232,375)</u>
Employment costs		
Staff training	-	33
General administrative expenses		
Business overheads: Rates and refuse	10,897	11,572
Business overheads: Insurances	4,067	2,236
Business overheads: Use of home allowance	200	200
Business overheads: M&R - property	9,056	2,485
Business overheads: Security	401	246
Business overheads: Telephone and fax	1,670	1,227
Business overheads: Computer/internet costs	379	156
Business overheads: Postage + stationery	366	534
Business overheads: Sundries	31	628
Business overheads: Use of private car	4,345	1,950
Business overheads: Advertising and PR	577	554
Business overheads: Accountancy	1,536	1,483
Business overheads: Legal costs incl licences	502	436
	<u>(34,027)</u>	<u>(23,707)</u>
Finance charges		
Business overheads: Bank charges	2,889	1,936
Business overheads: Bank cr.card charges	247	130
	<u>(3,136)</u>	<u>(2,066)</u>
Depreciation costs		
Non-trading: Goodwill w/off allowable	(3,080)	(3,080)
Business overheads: Depreciation	(13,520)	(11,930)
	<u>(16,600)</u>	<u>(15,010)</u>
Other expenses		
Capital receipts: Loan contribution	6,850	6,850
Operating profit	6,266	2,772
Interest payable and similar charges		
Business overheads: Bank loan costs	2,843	2,402

Profit before tax

3,423

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This page does not form part of the statutory financial statements.
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