Company Registration No. SC368313 (Scotland)

HEATWORKS STOVE AND COOKER CENTRE LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

PAGES FOR FILING WITH REGISTRAR

HEATWORKS STOVE AND COOKER CENTRE LIMITED

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HEATWORKS STOVE AND COOKER CENTRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	**4**		8,664		10,366
Current assets					
Stocks		107,913		88,001	
Debtors	**5**	15,255		23,236	
Cash at bank and in hand		14,356		12,876	
		137,524		124,113	
Creditors: amounts falling due within one year	**6**	(91,530)		(82,818)	
Net current assets			45,994		41,295
Total assets less current liabilities			54,658		51,661
Creditors: amounts falling due after more than one year	**7**		(27,545)		(27,150)
Net assets			27,113		24,511
Capital and reserves					
Called up share capital	**8**		4		4
Profit and loss reserves			27,109		24,507
Total equity			27,113		24,511

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

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year 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.

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved by the board of directors and authorised for issue on 20 November 2018 and are signed on its behalf by:

Mr N McEwan
Director
Company Registration No. SC368313

1 Accounting policies

Company information

Heatworks Stove and Cooker Centre Limited is a private company limited by shares incorporated in Scotland. The registered office is Heatworks House, Ruthvenfield Road, Inveralmond Industrial Estate, PERTH, PH1 3EE.

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.

1.2 Turnover

Turnover represents amounts receivable for stove and cooker sales net of VAT and trade discounts. Revenue is recognised on the accruals basis.

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:

Computer equipment	20% reducing balance
Motor vehicles	25% reducing balance

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.

1.4 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).

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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 Accounting policies **(Continued)**

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

1.9 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.

1 Accounting policies **(Continued)**

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.

2 Exceptional costs/(income)

	2018	2017
	£	£
Forgiveness of loan	-	(41,884)

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2017 - 4).

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2017	14,024
Additions	908
At 31 March 2018	14,932
Depreciation and impairment	
At 1 April 2017	3,658
Depreciation charged in the year	2,610
At 31 March 2018	6,268
Carrying amount	
At 31 March 2018	8,664
At 31 March 2017	10,366

5 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Trade debtors	15,255	23,236

6 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	2,643	9,242
Trade creditors	34,240	22,290
Corporation tax	-	810
Other taxation and social security	10,217	14,859
Other creditors	44,430	35,617
	91,530	82,818

Net obligations under finance lease and hire purchase contracts amounting to £1,982 (2017 - £1,983) are included within other creditors and secured over the assets to which they relate.

Bank borrowings amounting to £2,643 (2017 - £9,242) are secured by a personal guarantee given by the directors.

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

	2018	2017
	£	£
Bank loans and overdrafts	24,735	22,358
Other creditors	2,810	4,792
	27,545	27,150

Net obligations under finance lease and hire purchase contracts amounting to £2,810 (2017 - £4,792) are included within other creditors and secured over the assets to which they relate.

Bank borrowings amounting to £24,735 (2017 - £22,358) are secured by a personal guarantee given by the directors.

Creditors which fall due after five years are as follows:	2018	2017
	£	£
Payable by instalments	14,058	16,575

8 **Called up share capital**

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
2 ordinary shares of £1 each	2	2
1 'A' ordinary share of £1 each	1	1
1 'B' ordinary share of £1 each	1	1
	4	4

9 **Related party transactions**

The following amounts were outstanding at the reporting end date:

	2018	2017
Amounts owed to related parties	£	£
Key management personnel	766	246

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