Company Registration No. SC396018 (Scotland)

# Kerojo Developments Limited

## Annual report and unaudited financial statements

## for the year ended 31 March 2016

Pages for filing with Registrar

**Kerojo Developments Limited**

**Company information**

| | |
|---|---|
| **Director** | K J Mackie |
| **Company number** | SC396018 |
| **Registered office** | 46-48 Clerk Street<br>Brechin<br>DD9 6AY |
| **Accountants** | Henderson Loggie<br>The Vision Building<br>20 Greenmarket<br>Dundee<br>Scotland<br>DD1 4QB |

**Kerojo Developments Limited**

**Contents**


| | Page |
|---|---|
| Balance sheet | 1 - 2 |
| Notes to the financial statements | 3 - 8 |

**Kerojo Developments Limited**

**Balance sheet**

**as at 31 March 2016**

| | Notes | 2016 | | 2015 | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Current assets** | | | | | |
| Stocks | | **463,120** | | 351,108 | |
| Debtors | 2 | **266,013** | | 172,968 | |
| Cash at bank and in hand | | **6,172** | | 15,414 | |
| | | **735,305** | | 539,490 | |
| **Creditors: amounts falling due within one year** | 3 | **(101,042)** | | (60,506) | |
| Net current assets | | | **634,263** | | 478,984 |
| **Creditors: amounts falling due after more than one year** | 4 | | **(330,131)** | | (193,663) |
| **Net assets** | | | **304,132** | | 285,321 |
| **Capital and reserves** | | | | | |
| Called up share capital | 5 | | **100** | | 100 |
| Profit and loss reserves | | | **304,032** | | 285,221 |
| **Total equity** | | | **304,132** | | 285,321 |

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

**Kerojo Developments Limited**

**Balance sheet (continued)**

**as at 31 March 2016**

---

For the financial year ended 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Director's responsibilities:

- • 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;
- • The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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 January 2017

K J Mackie
**Director**

**Company Registration No. SC396018**

## 1 Accounting policies

### Company information

Kerojo Developments Limited is a private company limited by shares incorporated in Scotland. The registered office is 46-48 Clerk Street, Brechin, DD9 6AY.

### 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 on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2016 are the first financial statements of Kerojo Developments Limited 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 April 2014. 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## 1 Accounting policies (continued)

### 1.3 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.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

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.

### 1.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.5 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 statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

**1 Accounting policies (continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest.

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

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

## 1 Accounting policies (continued)

### 1.6 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.

### 1.7 Taxation

The tax expense represents the sum of the tax currently payable.

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.

## 2 Debtors

| | **2016** | 2015 |
|---|---|---|
| **Amounts falling due within one year:** | **£** | £ |
| Trade debtors | - | 1,196 |
| Other debtors | **266,013** | 141,147 |
| | **266,013** | 142,343 |
| **Amounts falling due after one year:** | | |
| Other debtors | **-** | 30,625 |
| **Total debtors** | **266,013** | 172,968 |

## 3 Creditors: amounts falling due within one year

| | **2016** | 2015 |
|---|---|---|
| | **£** | £ |
| Bank loans and overdrafts | **15,857** | 9,717 |
| Trade creditors | **246** | 22,076 |
| Corporation tax | **7,287** | 1,779 |
| Other taxation and social security | **4,008** | - |
| Other creditors | **73,644** | 26,934 |
| | **101,042** | 60,506 |

## 4 Creditors: amounts falling due after more than one year

| | **2016** | 2015 |
|---|---|---|
| | **£** | £ |
| Bank loans and overdrafts | **330,131** | 193,663 |

The long-term loans are secured by a standard charge.

## 5 Called up share capital

| | **2016** | 2015 |
|---|---|---|
| | **£** | £ |
| **Ordinary share capital** | | |
| **Issued and fully paid** | | |
| 100 Ordinary shares of £1 each | **100** | 100 |

## 6 Related party transactions

### Transactions with related parties

During the year the company paid funds of £354,952 (2015 - £11,000) and received funds of £330,155 (2015 - £35,934) from a company which K J Mackie is a director. At the year end the balance due from the company was £137 (2015 - £24,934) and is included in other creditors.

During the year the company paid funds of £1,150,297 (2015 - £16,321) and received funds of £922,178 (2015 - £14,030) from a company of which K J Mackie is a director. At the year end the balance due to the company was £230,410 (2015 - £2,291) and is included in other debtors.

During the year the company paid funds of £35,603 (2015 -£nil) from a company of which K J Mackie is a director. At the year end the balance due to the company was £35,603 (2015 - £nil) and is included in other debtors.

No guarantees have been given or received.

## 7 Director's transactions

The maximum balance of the loan during the year was £401,995. The closing balance at the year end of £69,627 is included in other creditors (2015 - £121,348 included in other debtors). There are no fixed repayment terms or interest on this balance.

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.