

COMPANY REGISTRATION NUMBER: SC090886

**PENKILN SAWMILL COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

PENKILN SAWMILL COMPANY LIMITED

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PENKILN SAWMILL COMPANY LIMITED

BALANCE SHEET AS AT 30 JUNE 2019

| | Note | 2019 £ | 2018 £ |
|---|-------------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | <u>4</u> | 65,007 | 32,397 |
| Other financial assets | <u>5</u> | 30,050 | 50 |
| | | <u>95,057</u> | <u>32,447</u> |
| Current assets | | | |
| Stocks | <u>6</u> | 81,425 | 64,528 |
| Debtors | <u>7</u> | 205,107 | 188,037 |
| Cash at bank and in hand | | <u>100,284</u> | <u>121,497</u> |
| | | 386,816 | 374,062 |
| Creditors: Amounts falling due within one year | <u>8</u> | <u>(244,463)</u> | <u>(187,624)</u> |
| Net current assets | | <u>142,353</u> | <u>186,438</u> |
| Total assets less current liabilities | | 237,410 | 218,885 |
| Provisions for liabilities | | <u>(12,351)</u> | <u>(5,994)</u> |
| Net assets | | <u>225,059</u> | <u>212,891</u> |
| Capital and reserves | | | |
| Called up share capital | | 16,000 | 16,000 |
| Capital redemption reserve | | 8,000 | 8,000 |
| Profit and loss account | | <u>201,059</u> | <u>188,891</u> |
| Total equity | | <u>225,059</u> | <u>212,891</u> |

The notes on pages 3 to 8 form an integral part of these financial statements.

PENKILN SAWMILL COMPANY LIMITED

BALANCE SHEET AS AT 30 JUNE 2019 (CONTINUED)

For the financial year ending 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 2 December 2019

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Mr E D Dewar
Director

Company registration number: SC090886

The notes on pages 3 to 8 form an integral part of these financial statements.

PENKILN SAWMILL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1 GENERAL INFORMATION

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

The address of its registered office is:

51 Newall Terrace

Dumfries

DG1 1LN

These financial statements were authorised for issue by the director on 2 December 2019.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

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

The financial statements have been prepared on the historical cost basis and in accordance with the applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

Judgements and key sources of uncertainty and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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.

Interest received or receivable is recognised as it becomes due.

PENKILN SAWMILL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

2 ACCOUNTING POLICIES (continued)

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 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 taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

2 ACCOUNTING POLICIES (continued)

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 |
|---------------------------------|-------------------------------------|
| Plant and Machinery | over 2 - 10 years |
| Motor Vehicles | over 3 years |
| Office Equipment | over 4 years |
| Leasehold Property Improvements | over 10 years |

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

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.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

PENKILN SAWMILL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

3 STAFF NUMBERS

The average number of persons employed by the company (including the director) during the year, was 10 (2018 - 10).

PENKILN SAWMILL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

4 TANGIBLE ASSETS

| | Leasehold Property Improvements £ | Office Equipment £ | Motor Vehicles £ | Plant and Machinery £ | Total £ |
|--------------------------|--|-----------------------------------|---------------------------------|--------------------------------------|--------------------|
| Cost or valuation | | | | | |
| At 1 July 2018 | 203,772 | 22,365 | 53,943 | 458,924 | 739,004 |
| Additions | - | - | 11,250 | 55,423 | 66,673 |
| Disposals | - | - | (11,400) | - | (11,400) |
| At 30 June 2019 | 203,772 | 22,365 | 53,793 | 514,347 | 794,277 |
| Depreciation | | | | | |
| At 1 July 2018 | 203,772 | 19,094 | 53,943 | 429,798 | 706,607 |
| Charge for the year | - | 1,663 | 2,812 | 29,588 | 34,063 |
| Eliminated on disposal | - | - | (11,400) | - | (11,400) |
| At 30 June 2019 | 203,772 | 20,757 | 45,355 | 459,386 | 729,270 |
| Carrying amount | | | | | |
| At 30 June 2019 | - | 1,608 | 8,438 | 54,961 | 65,007 |
| At 30 June 2018 | - | 3,270 | - | 29,127 | 32,397 |

5 INVESTMENTS

| | Financial assets at cost less impairment £ | Total £ |
|-------------------------------------|---|--------------------|
| Non-current financial assets | | |
| Cost or valuation | | |
| At 1 July 2018 | 50 | 50 |
| Additions | 30,000 | 30,000 |
| At 30 June 2019 | 30,050 | 30,050 |
| Carrying amount | | |
| At 30 June 2019 | 30,050 | 30,050 |

PENKILN SAWMILL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)

6 STOCKS

| | 2019 | 2018 |
|--------|---------------|---------------|
| | £ | £ |
| Stocks | <u>81,425</u> | <u>64,528</u> |

7 DEBTORS

| | 2019 | 2018 |
|---------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 182,001 | 169,397 |
| Prepayments | <u>23,106</u> | <u>18,640</u> |
| | <u>205,107</u> | <u>188,037</u> |

8 CREDITORS

Creditors: amounts falling due within one year

| | 2019 | 2018 |
|---|----------------|----------------|
| | £ | £ |
| Due within one year | | |
| Trade creditors | 91,307 | 31,366 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 63,500 | 58,500 |
| Taxation and social security | 15,728 | 22,613 |
| Accruals and deferred income | 10,900 | 18,562 |
| Other creditors | <u>63,028</u> | <u>56,583</u> |
| | <u>244,463</u> | <u>187,624</u> |

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.