

Company Registration No. SC159622 (Scotland)

**THISTLE WINDOWS &  
CONSERVATORIES LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**PAGES FOR FILING WITH REGISTRAR**

# THISTLE WINDOWS & CONSERVATORIES LIMITED

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# THISTLE WINDOWS & CONSERVATORIES LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		2,624,833		1,499,724
Investment properties	4		-		200,000
			<u>2,624,833</u>		<u>1,699,724</u>
<b>Current assets</b>					
Stocks	5	2,773,124		1,809,639	
Debtors	6	548,823		629,093	
Cash at bank and in hand		1,132		170,966	
		<u>3,323,079</u>		<u>2,609,698</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(3,228,854)</u>		<u>(2,046,240)</u>	
<b>Net current assets</b>			94,225		563,458
<b>Total assets less current liabilities</b>			<u>2,719,058</u>		<u>2,263,182</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(1,034,022)		(1,025,038)
<b>Provisions for liabilities</b>					
Deferred tax liability		177,405		68,814	
		<u>177,405</u>	(177,405)	<u>68,814</u>	(68,814)
<b>Net assets</b>			<u>1,507,631</u>		<u>1,169,330</u>
<b>Capital and reserves</b>					
Called up share capital	9		10,000		10,000
Revaluation reserve			570,335		-
Profit and loss reserves			927,296		1,159,330
<b>Total equity</b>			<u>1,507,631</u>		<u>1,169,330</u>

## **THISTLE WINDOWS & CONSERVATORIES LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 AUGUST 2018***

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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 August 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.

The financial statements were approved by the board of directors and authorised for issue on 23 May 2019 and are signed on its behalf by:

Ian James Bruce  
**Director**

**Company Registration No. SC159622**

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2018

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 September 2016</b>	10,000	-	1,172,573	1,182,573
<b>Year ended 31 August 2017:</b>				
Profit and total comprehensive income for the year	-	-	130,757	130,757
Dividends	-	-	(144,000)	(144,000)
<b>Balance at 31 August 2017</b>	10,000	-	1,159,330	1,169,330
<b>Year ended 31 August 2018:</b>				
Loss for the year	-	-	(64,034)	(64,034)
Other comprehensive income:				
Revaluation of tangible fixed assets	-	667,029	-	667,029
Tax relating to other comprehensive income	-	(96,694)	-	(96,694)
Total comprehensive income for the year	-	570,335	(64,034)	506,301
Dividends	-	-	(168,000)	(168,000)
<b>Balance at 31 August 2018</b>	10,000	570,335	927,296	1,507,631

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

#### Company information

Thistle Windows & Conservatories Limited is a private company limited by shares incorporated in Scotland. The registered office is Thistle House, Woodside Road, Bridge of Don Industrial Estate, ABERDEEN, AB23 8EF.

#### 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 amounts in these financial statements are rounded to the nearest pound sterling.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover represents amounts receivable from the sale and installation of windows, conservatories, kitchens, home improvements and related products.

Revenue from the supply only of windows, conservatories, kitchens, home improvements and related products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, 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.

Revenue from contracts for the supply and installation of windows, conservatories, kitchens, home improvements and related products is recognised by reference to the stage of completion, when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 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:

Land and buildings leasehold	2% on cost
Plant and machinery	25% on reducing balance
Fixtures, fittings & equipment	25% on cost
Motor vehicles	15% on cost

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.

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in profit or loss.

#### 1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.5 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).

#### 1.6 Stocks

Stock and work in progress 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.

#### 1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.8 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.

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

#### **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.

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.10 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.

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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.



# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

#### 1.11 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.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 115 (2017 - 101).

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 September 2017	896,460	1,328,370	2,224,830
Additions	235,130	465,251	700,381
Disposals	-	(184,301)	(184,301)
Revaluation	618,410	-	618,410
At 31 August 2018	1,750,000	1,609,320	3,359,320
<b>Depreciation and impairment</b>			
At 1 September 2017	30,792	694,314	725,106
Depreciation charged in the year	17,827	219,591	237,418
Eliminated in respect of disposals	-	(179,418)	(179,418)
Revaluation	(48,619)	-	(48,619)
At 31 August 2018	-	734,487	734,487
<b>Carrying amount</b>			
At 31 August 2018	1,750,000	874,833	2,624,833
At 31 August 2017	865,668	634,056	1,499,724

Land and buildings with a carrying amount of £1,750,000 were revalued at 16 October 2018 by Allied Surveyors Scotland Plc, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2018 £	2017 £
Cost	1,131,590	896,460
Accumulated depreciation	(48,619)	(30,792)
Carrying value	1,082,971	865,668

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 4 Investment property

	2018 £
<b>Fair value</b>	
At 1 September 2017	200,000
Disposals	(200,000)
	<hr/>
At 31 August 2018	-
	<hr/> <hr/>

The investment property is valued by the directors based on the values of similar properties in the area.

### 5 Stocks

	2018 £	2017 £
Work in progress	2,639,922	1,653,312
Finished goods	133,202	156,327
	<hr/>	<hr/>
	2,773,124	1,809,639
	<hr/> <hr/>	<hr/> <hr/>

Work in progress includes £2,095,412 (2017 - £1,360,840) which is considered to be long term.

### 6 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	493,709	570,049
Corporation tax recoverable	8,283	-
Other debtors	46,831	59,044
	<hr/>	<hr/>
	548,823	629,093
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# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 7 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	955,907	90,000
Trade creditors	908,295	786,355
Corporation tax	-	23,955
Other taxation and social security	309,532	287,870
Other creditors	1,055,120	858,060
	<u>3,228,854</u>	<u>2,046,240</u>

Bank loans and overdrafts are secured by a floating charge over the premises of the company.

Included in other creditors are obligations under finance leases amounting to £236,898 (2017 - £126,063). These amounts are secured over the assets to which they relate.

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

	2018 £	2017 £
Bank loans and overdrafts	779,513	867,963
Other creditors	254,509	157,075
	<u>1,034,022</u>	<u>1,025,038</u>

Bank loans and overdrafts are secured by a floating charge over the premises of the company.

Other creditors represent obligations under finance leases which are secured over the assets to which they relate.

### 9 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

# THISTLE WINDOWS & CONSERVATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
Within one year	52,000	52,000
Between two and five years	208,000	208,000
In over five years	4,736,333	4,788,333
	<u>4,996,333</u>	<u>5,048,333</u>

The company has an annual commitment for a ground lease on its business premises. The total commitments include these lease payments until expiry in 2114.

### 11 Directors' transactions

Interest free loans have been granted by the directors to the company as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Directors' Loans	-	(92,762)	117,730	(32,000)	(7,032)
		<u>(92,762)</u>	<u>117,730</u>	<u>(32,000)</u>	<u>(7,032)</u>

There are no fixed terms of repayment.

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