

COMPANY REGISTRATION NUMBER: SC241110

Frances Watson (Hairdresser) Ltd
Unaudited Financial Statements
31 December 2016

Frances Watson (Hairdresser) Ltd

Financial Statements

Year ended 31 December 2016

Contents	Page
Director's report	1
Statement of income and retained earnings	2
Statement of financial position	3
Notes to the financial statements	5

The following pages do not form part of the financial statements

Chartered certified accountants report to the director on the preparation of the unaudited statutory financial statements

11

Detailed income statement	12
Notes to the detailed income statement	13

Frances Watson (Hairdresser) Ltd

Director's Report

Year ended 31 December 2016

The director presents her report and the unaudited financial statements of the company for the year ended 31 December 2016 .

Director

The director who served the company during the year was as follows:

Mrs F Watson

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 24 March 2017 and signed on behalf of the board by:

Mrs F Watson

Director

Registered office:

4 Millcraig Road

Dingwall

Ross-shire

IV15 9PT

Frances Watson (Hairdresser) Ltd
Statement of Income and Retained Earnings

Year ended 31 December 2016

		2016	2015
	Note	£	£
Turnover		43,872	42,452
Cost of sales		8,123	7,759
		-----	-----
Gross profit		35,749	34,693
Administrative expenses		18,423	15,318
		-----	-----
Operating profit		17,326	19,375
Other interest receivable and similar income		10	11
		-----	-----
Profit before taxation	5	17,336	19,386
Tax on profit		3,467	3,877
		-----	-----
Profit for the financial year and total comprehensive income		13,869	15,509
		-----	-----
Dividends paid and payable		(12,970)	(12,515)
Retained earnings at the start of the year		15,530	12,536
		-----	-----
Retained earnings at the end of the year		16,429	15,530
		-----	-----

All the activities of the company are from continuing operations.

Frances Watson (Hairdresser) Ltd

Statement of Financial Position

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	6	1,152	728
Current assets			
Stocks		600	500
Debtors	7	170	167
Cash at bank and in hand		19,246	19,076
		20,016	19,743
Creditors: amounts falling due within one year	8	4,508	4,794
Net current assets		15,508	14,949
Total assets less current liabilities		16,660	15,677
Provisions			
Taxation including deferred tax		230	146
Net assets		16,430	15,531
Capital and reserves			
Called up share capital		1	1
Profit and loss account		16,429	15,530
Member funds		16,430	15,531

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the 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.

Director's responsibilities:

- The member has 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 her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Frances Watson (Hairdresser) Ltd

Statement of Financial Position *(continued)*

31 December 2016

These financial statements were approved by the board of directors and authorised for issue on 24 March 2017 , and are signed on behalf of the board by:

Mrs F Watson

Director

Company registration number: SC241110

Frances Watson (Hairdresser) Ltd

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 4 Millcraig Road, Dingwall, Ross-shire, IV15 9PT.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

Judgements 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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	-	15% reducing balance
Equipment	-	15% reducing balance
Office Equipment	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year, including the director, amounted to 1 (2015: 1).

5. Profit before taxation

Profit before taxation is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	160	155
	---	---

6. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2016	853	1,573	594	3,020
Additions	—	403	349	752
Disposals	—	—	(594)	(594)
	---	-----	---	-----
At 31 December 2016	853	1,976	349	3,178
	---	-----	---	-----
Depreciation				
At 1 January 2016	657	1,209	426	2,292
Charge for the year	31	100	29	160
Disposals	—	—	(426)	(426)
	---	-----	---	-----
At 31 December 2016	688	1,309	29	2,026
	---	-----	---	-----
Carrying amount				
At 31 December 2016	165	667	320	1,152
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At 31 December 2015	196	364	168	728
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7. Debtors

	2016	2015
	£	£
Other debtors	170	167
	---	---

8. Creditors: amounts falling due within one year

	2016	2015
	£	£
Corporation tax	3,381	3,909
Social security and other taxes	51	—
Other creditors	1,076	885
	-----	-----
	4,508	4,794
	-----	-----

9. Director's advances, credits and guarantees**10. Related party transactions**

The company was under the control of Frances Watson throughout the current and previous year. Frances Watson is the managing director and majority shareholder. The company paid a dividend of £12,970 (2015 - £12,515) to the director.

11. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Frances Watson (Hairdresser) Ltd

Management Information

Year ended 31 December 2016

The following pages do not form part of the financial statements.

Frances Watson (Hairdresser) Ltd

Chartered Certified Accountants Report to the Director on the Preparation of the Unaudited Statutory Financial Statements of Frances Watson (Hairdresser) Ltd

Year ended 31 December 2016

As described on the statement of financial position, the director of the company is responsible for the preparation of the financial statements for the year ended 31 December 2016, which comprise the statement of income and retained earnings, statement of financial position and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

MACDOWALL & CO Chartered Certified Accountants

Tulloch Street Dingwall IV15 9JY

24 March 2017

Frances Watson (Hairdresser) Ltd

Detailed Income Statement

Year ended 31 December 2016

	2016	2015
	£	£
Turnover	43,872	42,452
Cost of sales		
Purchases	2,049	2,104
Wages and salaries - type 2	6,074	5,655
	-----	-----
	8,123	7,759
	-----	-----
Gross profit	35,749	34,693
Overheads		
Administrative expenses	18,423	15,318
	-----	-----
Operating profit	17,326	19,375
Other interest receivable and similar income	10	11
	-----	-----
Profit before taxation	17,336	19,386
	-----	-----

Frances Watson (Hairdresser) Ltd

Notes to the Detailed Income Statement

Year ended 31 December 2016

	2016	2015
	£	£
Administrative expenses		
Directors salaries	11,104	9,140
Directors national insurance contributions	19	—
Directors pension contributions	13	—
Rent	1,620	1,620
Rates and water	154	141
Light and heat	738	720
Insurance	225	210
Repairs and maintenance (allowable)	1,049	262
Travel and subsistence	350	350
Telephone	505	732
Printing postage and stationery	15	15
Sundry expenses	412	450
Accountancy fees	1,643	1,266
Depn of equipment	160	155
(Gain)/loss on disposal of tangible assets	168	—
Bank charges	248	257
	-----	-----
	18,423	15,318
	-----	-----
Other interest receivable and similar income		
Interest on cash and cash equivalents	10	11
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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.