

Gordon Nicolson Kiltmakers Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 28 February 2018

Deans Accountants And Business Advisors Ltd
Chartered Accountants and Business Advisors
27 North Bridge Street
Hawick
Borders
TD9 9BD

Gordon Nicolson Kiltmakers Ltd

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Gordon Nicolson Kiltmakers Ltd

Company Information

| | |
|--------------------------|--|
| Director | Mr G B Nicolson |
| Registered office | 189 Canongate The Royal Mile Edinburgh Midlothian EH8 8BN |
| Accountants | Deans Accountants And Business Advisors Ltd Chartered Accountants and Business Advisors 27 North Bridge Street Hawick Borders TD9 9BD |

Gordon Nicolson Kiltmakers Ltd
(Registration number: SC348334)
Balance Sheet as at 28 February 2018

| | Note | 2018 £ | 2017 £ |
|--|----------|---------------|---------------|
| Current assets | | | |
| Stocks | <u>4</u> | 176,659 | 104,845 |
| Debtors | <u>5</u> | 30,512 | 33,229 |
| Cash at bank and in hand | | 22,298 | 18,045 |
| | | 229,469 | 156,119 |
| Creditors: Amounts falling due within one year | <u>6</u> | (119,570) | (108,461) |
| Total assets less current liabilities | | 109,899 | 47,658 |
| Creditors: Amounts falling due after more than one year | <u>6</u> | (32,685) | (17,711) |
| Net assets | | <u>77,214</u> | <u>29,947</u> |
| Capital and reserves | | | |
| Called up share capital | <u>7</u> | 1 | 1 |
| Profit and loss account | | 77,213 | 29,946 |
| Total equity | | <u>77,214</u> | <u>29,947</u> |

For the financial year ending 28 February 2018 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 30 November 2018

.....
Mr G B Nicolson
Director

The notes on pages 3 to 7 form an integral part of these financial statements.
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Gordon Nicolson Kiltmakers Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

1 General information

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

The address of its registered office is:

189 Canongate
The Royal Mile
Edinburgh
Midlothian
EH8 8BN
Scotland

These financial statements were authorised for issue by the director on 30 November 2018.

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

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £0.

Judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made included:

Useful economic lives of tangible assets – the annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, and the physical condition of the assets.

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.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Tax

The tax expense for the period comprises current 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 income 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Gordon Nicolson Kiltmakers Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

Gordon Nicolson Kiltmakers Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Recognition and measurement

Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as an interest expense in the profit and loss account.

Impairment

At the end of each reporting period financial instruments measured at fair value are assessed for objective evidence of impairment. The impairment loss is recognised in the profit and loss account.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 8 (2017 - 7).

4 Stocks

| | 2018 £ | 2017 £ |
|-------------------------------|-----------|-----------|
| Raw materials and consumables | 176,659 | 104,845 |

5 Debtors

| | 2018 £ | 2017 £ |
|---------------|-----------|-----------|
| Trade debtors | 19,875 | 16,977 |
| Prepayments | 3,782 | 2,324 |
| Other debtors | 6,855 | 13,928 |
| | 30,512 | 33,229 |

Gordon Nicolson Kiltmakers Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

6 Creditors

Creditors: amounts falling due within one year

| | Note | 2018 £ | 2017 £ |
|------------------------------|----------|----------------|----------------|
| Due within one year | | | |
| Bank loans and overdrafts | <u>8</u> | 11,040 | 8,991 |
| Trade creditors | | 79,485 | 64,698 |
| Taxation and social security | | 9,792 | 24,697 |
| Accruals and deferred income | | 8,000 | 8,000 |
| Other creditors | | 11,253 | 2,075 |
| | | <u>119,570</u> | <u>108,461</u> |

Creditors: amounts falling due after more than one year

| | Note | 2018 £ | 2017 £ |
|---------------------------|----------|---------------|---------------|
| Due after one year | | | |
| Loans and borrowings | <u>8</u> | <u>32,685</u> | <u>17,711</u> |

7 Share capital

Allotted, called up and fully paid shares

| | 2018 No. | £ | 2017 No. | £ |
|----------------------------|-------------|----------|-------------|----------|
| Ordinary shares of £1 each | 1 | 1 | 1 | 1 |
| | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> |

8 Loans and borrowings

| | 2018 £ | 2017 £ |
|---|---------------|---------------|
| Non-current loans and borrowings | | |
| Other borrowings | <u>32,685</u> | <u>17,711</u> |

Gordon Nicolson Kiltmakers Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

| | 2018 £ | 2017 £ |
|-------------------------------------|---------------|--------------|
| Current loans and borrowings | | |
| Bank borrowings | - | 2,741 |
| Other borrowings | 11,040 | 6,250 |
| | <u>11,040</u> | <u>8,991</u> |

9 Related party transactions

Transactions with directors

| | At 1 March 2017 £ | Advances to directors £ | Repayments by director £ | At 28 February 2018 £ |
|---|-------------------------|-------------------------------|--------------------------------|--------------------------------|
| 2018 | | | | |
| Mr G B Nicolson | | | | |
| Loans are undated, unsecured and have no fixed repayment terms. | | | | |
| Interest is charged on overdrawn loans at 2.5% per annum. | 13,926 | 19,563 | (26,634) | 6,855 |

| | At 1 March 2016 £ | Advances to directors £ | Repayments by director £ | At 28 February 2017 £ |
|---|-------------------------|-------------------------------|--------------------------------|--------------------------------|
| 2017 | | | | |
| Mr G B Nicolson | | | | |
| Loans are undated, unsecured and have no fixed repayment terms. | | | | |
| Interest is charged on overdrawn loans at 2.5% per annum. | 9,659 | 42,745 | (38,478) | 13,926 |

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.