Company Registration No. SC355135 (Scotland)

Jaffs Limited

Unaudited financial statements

for the year ended 31 January 2017

Pages for filing with Registrar

Jaffs Limited

Company information

Directors	Ms N Nesland Mr P Morrison
Secretary	Ms R Nesland
Company number	SC355135
Registered office	1 Bristow Cottage Castle Fraser Inverurie Aberdeenshire AB51 7LJ
Accountants	Henderson Loggie 48 Queens Road Aberdeen AB15 4YE

Jaffs Limited

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Jaffs Limited

Balance sheet

as at 31 January 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		11,349		16,447
Current assets					
Stocks		5,987		5,183	
Debtors	5	15,203		9,048	
Cash at bank and in hand		739		3,829	
		21,929		18,060	
Creditors: amounts falling due within one year	6	(99,965)		(128,162)	
Net current liabilities			(78,036)		(110,102)
Total assets less current liabilities			(66,687)		(93,655)
Provisions for liabilities			(465)		(1,154)
Net liabilities			(67,152)		(94,809)
Capital and reserves					
Called up share capital	8		100		100
Share premium account			33,491		33,491
Profit and loss reserves			(100,743)		(128,400)
Total equity			(67,152)		(94,809)

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

Jaffs Limited

Balance sheet (continued)

as at 31 January 2017

For the financial year ended 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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 18 April 2017 and are signed on its behalf by:

Ms N Nesland
Director

Company Registration No. SC355135

1 Accounting policies

Company information

Jaffs Limited is a private company limited by shares incorporated in Scotland. The registered office is 1 Bristow Cottage, Castle Fraser, Inverurie, Aberdeenshire, AB51 7LJ.

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 under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 January 2017 are the first financial statements of Jaffs 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 February 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

1.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The financial statements do not include any adjustments that would result from the withdrawal of support from the company directors and bankers. The directors consider that the going concern basis is appropriate in the preparation of these accounts.

1.3 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.

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.

1.4 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.

1 Accounting policies (continued)

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:

Tenants improvements	20% on cost
Fixtures, fittings and equipment	20% on cost
Computer equipment	20% on cost
Motor vehicles	25% reducing balance

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

1 Accounting policies (continued)

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 and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.8 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.

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 debtors 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

Basic financial liabilities, including creditors, 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. 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. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.9 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.

1.10 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.

1 Accounting policies (continued)

Deferred tax

The tax expense represents the sum of the corporation tax and deferred tax charge for the year.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all temporary timing differences that have not reversed by the balance sheet date and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available. Deferred tax is calculated at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the profit and loss accounts, 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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 21 (2016 - 20).

3 Intangible fixed assets

	Property rights
	£
Cost	
At 1 February 2016 and 31 January 2017	**33,375**
Amortisation and impairment	
At 1 February 2016 and 31 January 2017	**33,375**
Carrying amount	
At 31 January 2017	**-**
At 31 January 2016	-

4 Tangible fixed assets

	Tenants improve -ments	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2016	**116,322**	**72,216**	**15,184**	**7,995**	**211,717**
Additions	**-**	**-**	**230**	**-**	**230**
At 31 January 2017	**116,322**	**72,216**	**15,414**	**7,995**	**211,947**
Depreciation and impairment					
At 1 February 2016	**115,873**	**68,624**	**9,107**	**1,666**	**195,270**
Depreciation charged in the year	**449**	**1,357**	**1,940**	**1,582**	**5,328**
At 31 January 2017	**116,322**	**69,981**	**11,047**	**3,248**	**200,598**
Carrying amount					
At 31 January 2017	**-**	**2,235**	**4,367**	**4,747**	**11,349**
At 31 January 2016	449	3,592	6,077	6,329	16,447

5 Debtors

	2017	2016
Amounts falling due within one year:	**£**	£
Trade debtors	**4,150**	1
Other debtors	**164**	164
Prepayments and accrued income	**10,889**	8,883
	15,203	9,048

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	**13,075**	32,888
Trade creditors	**23,751**	29,771
Corporation tax	**7,148**	1,511
Other taxation and social security	**23,492**	20,210
Other creditors	**20,957**	13,007
Accruals and deferred income	**11,542**	30,775
	99,965	128,162

Security in the form of a first charge over the fixed assets of the company has been given in respect of overdrafts of £13,075 (2016 - £32,888).

7 Provisions for liabilities

	2017	2016
	£	£
Deferred tax liabilities	**465**	1,154
	465	1,154

8 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	**100**	100

9 Operating lease commitments

Lessee

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

	2017	2016
	£	£
Within one year	**1,925**	11,375

10 Directors' transactions

During the year a director advanced the company £15,925 (2016 - £30,135) and the company repaid the director £8,433 (2016 - £18,977). The balance due to the director at 31 January 2017 was £18,002 (2016 - £10,510). This balance is interest free and repayable on demand.

During the year a director advanced the company £100 (2016 - £30). The balance due to the director at 31 January 2017 was £130 (2016 - £30). This balance is interest free and repayable on demand.

11 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

Reconciliation of equity

	Notes	1 February 2015	31 January 2016
		£	£
Equity as reported under previous UK GAAP		(105,973)	(93,573)
Adjustments arising from transition to FRS 102:			
Short term employee benefits	1	(2,777)	(1,236)
Equity reported under FRS 102		(108,750)	(94,809)

11 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit for the financial period

	Notes	2016 £
Profit as reported under previous UK GAAP		12,400
Adjustments arising from transition to FRS 102:		
Short term employee benefits	1	1,541
Profit reported under FRS 102		13,941

Reconciliation of equity

		At 1 February 2015			At 31 January 2016		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	Notes	£	£	£	£	£	£
Fixed assets							
Tangible assets		11,743	-	11,743	16,447	-	16,447
Current assets							
Stocks		5,483	-	5,483	5,183	-	5,183
Debtors	1	9,492	-	9,492	8,470	578	9,048
Bank and cash		700	-	700	3,829	-	3,829
		15,675	-	15,675	17,482	578	18,060
Creditors due within one year							
Loans and overdrafts		(31,211)	-	(31,211)	(43,428)	-	(43,428)
Taxation		(37,087)	-	(37,087)	(21,721)	-	(21,721)
Other creditors	1	(65,093)	(2,777)	(67,870)	(61,199)	(1,814)	(63,013)
		(133,391)	(2,777)	(136,168)	(126,348)	(1,814)	(128,162)
Net current liabilities		(117,716)	(2,777)	(120,493)	(108,866)	(1,236)	(110,102)
Total assets less current liabilities		(105,973)	(2,777)	(108,750)	(92,419)	(1,236)	(93,655)

11 Reconciliations on adoption of FRS 102

		At 1 February 2015			At 31 January 2016		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	Notes	£	£	£	£	£	£ (continued)
Provisions for liabilities							
Deferred tax		-	-	-	(1,154)	-	(1,154)
Net assets		(105,973)	(2,777)	(108,750)	(93,573)	(1,236)	(94,809)
Capital and reserves							
Share capital		100	-	100	100	-	100
Share premium		33,491	-	33,491	33,491	-	33,491
Profit and loss		(139,564)	(2,777)	(142,341)	(127,164)	(1,236)	(128,400)
Total equity		(105,973)	(2,777)	(108,750)	(93,573)	(1,236)	(94,809)

11 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit for the financial period

		Year ended 31 January 2016		
		Previous UK GAAP	Effect of transition	FRS 102
	Notes	£	£	£
Turnover		495,751	-	495,751
Cost of sales	1	(347,929)	1,541	(346,388)
Gross profit		147,822	1,541	149,363
Administrative expenses		(137,423)	-	(137,423)
Other operating income		6,702	-	6,702
Operating profit		17,101	1,541	18,642
Interest receivable and similar income		5	-	5
Interest payable and similar expenses		(2,041)	-	(2,041)
Profit before taxation		15,065	1,541	16,606
Taxation		(2,665)	-	(2,665)
Profit for the financial period		12,400	1,541	13,941

Notes to reconciliations on adoption of FRS 102

1 Short term employee benefits

FRS 102 requires short term employee benefits to be charged to the profit and loss account as the employee service is received. This has resulted in the company recognising a liability for holiday pay of £2,777 on transition to FRS 102. Previously holiday pay accruals were not recognised and were charged to the profit and loss account as they were paid. In the year to 31 January 2016 a credit of £1,541 was recognised in the profit and loss account and the liability at 31 January 2016 was £1,236.