

AVONFIELD LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 SEPTEMBER 2018
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AVONFIELD LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

AVONFIELD LIMITED

BALANCE SHEET

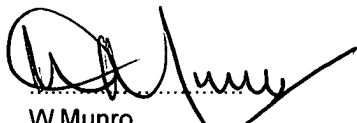
AS AT 29 SEPTEMBER 2018

	Notes	30 September 2018 £	£	30 September 2017 £	£
Fixed assets					
Tangible assets	4		447,862		465,481
Current assets					
Stocks		12,284		10,593	
Debtors	5	21,351		24,035	
Cash at bank and in hand		25,444		58,497	
		<u>59,079</u>		<u>93,125</u>	
Creditors: amounts falling due within one year	6	<u>(727,506)</u>		<u>(747,380)</u>	
Net current liabilities			(668,427)		(654,255)
Total assets less current liabilities			<u>(220,565)</u>		<u>(188,774)</u>
Capital and reserves					
Called up share capital	7	20,000		20,000	
Profit and loss reserves		<u>(240,565)</u>		<u>(208,774)</u>	
Total deficit			<u>(220,565)</u>		<u>(188,774)</u>

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

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 and signed by the director and authorised for issue on 19 July 2019


W Munro
Director

Company Registration No. SC379471

AVONFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 SEPTEMBER 2018

1 Accounting policies

Company information

Avonfield Limited is a private company limited by shares incorporated in Scotland. The registered office is 5 River Drive, Teaninich Industrial Estate, ALNESS, IV17 0PG.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

For the year ended 29 September 2018, flexed to 30 September 2018, the company has generated a loss. This is the fourth full 12 month period of trade with the previous three years incurring losses due to significant renovations being undertaken and accommodation not being ready for use. The business is now fully renovated and the director projects that the company will become profitable in future periods. The group and the director will continue to provide financial support to the company to ensure all third party liabilities are met as they fall due. In addition, the group parent has also intimated that there will be no demand for the repayment of the loan due to the group for at least 12 months following the date of approval of the financial statements. Therefore the director is of the opinion that, with continued support being provided to the company for at least 12 months from sign off date, the financial statements should continue to be prepared on a going concern basis.

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.

1.4 Intangible fixed assets - goodwill

Intangible assets are recognised at cost less accumulated amortisation and impairment losses. Intangible assets are fully amortised.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% straight line
Fixtures, fittings & equipment	20% 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 and loss.

AVONFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2018

1 Accounting policies

(Continued)

1.6 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.

1.7 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.

At each reporting date an assessment is made for impairment.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash at bank and in hand.

1.9 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 initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

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.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities classified as payable within one year are not amortised.

1.10 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.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

AVONFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2018

1 Accounting policies

(Continued)

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 is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered.

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the profit and loss account 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. Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 16 (2017 - 11).

AVONFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2018

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2017 and 30 September 2018	10,000
Amortisation and impairment	
At 1 October 2017 and 30 September 2018	10,000
Carrying amount	
At 30 September 2018	-
At 30 September 2017	-

4 Tangible fixed assets

	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 October 2017 and 30 September 2018	398,257	148,293	546,550
Depreciation and impairment			
At 1 October 2017	16,019	65,050	81,069
Depreciation charged in the year	965	16,654	17,619
At 30 September 2018	16,984	81,704	98,688
Carrying amount			
At 30 September 2018	381,273	66,589	447,862
At 30 September 2017	382,238	83,243	465,481

5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	5,372	8,092
Amounts owed by group undertakings	15,213	15,213
Other debtors	766	730
	21,351	24,035

AVONFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2018

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	10,010	19,836
Amounts due to group undertakings	672,790	681,845
Other taxation and social security	2,411	3,567
Other creditors	42,295	42,132
	<u>727,506</u>	<u>747,380</u>

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
20,000 Ordinary shares of £1 each	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

8 Audit report information

As the profit and loss account has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jamie Waugh.

The auditor was Johnston Carmichael LLP.

9 Financial commitments, guarantees and contingent liabilities

The financial statements of the parent company, William Munro Construction (Highland) Limited, contain a loan from retirement benefit scheme of £120,000 included within creditors at 30 September 2018. The loan is secured by way of a standard security over the assets of both William Munro Construction (Highland) Limited and Avonfield Limited.

10 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption within FRS 102 Section 1A paragraph 1AC.35 from the requirement to disclose transactions with wholly owned group companies.

AVONFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2018

10 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2018 £	2017 £
Other related parties	5,441	13,344
	<u>5,441</u>	<u>13,344</u>

11 Parent company

The immediate and ultimate parent company is William Munro Construction (Highland) Limited, a company registered in Scotland, whose registered office is also 5 River Drive, Teaninich Industrial Estate, ALNESS, IV17 0PG. It has included the company in its group financial statements, copies of which are available from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF. This is the smallest and largest group in which the results of this company are consolidated.