

Main Street Bakery Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2022

Main Street Bakery Ltd

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Main Street Bakery Ltd

Company Information

Directors	Margaret MacIsaac John MacIsaac
Registered office	5 Glen Gardens Callander FK17 8ES
Bankers	Clydesdale Bank plc 56 Murray Place Stirling FK8 2BX
Accountants	Roderick Gunkel & Associates Ltd Orchardlea Callander FK17 8BG

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Main Street Bakery Ltd
for the Year Ended 31 May 2022**

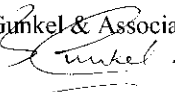
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Main Street Bakery Ltd for the year ended 31 May 2022 as set out on pages 3 to 8 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Main Street Bakery Ltd, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the accounts of Main Street Bakery Ltd and state those matters that we have agreed to state to the Board of Directors of Main Street Bakery Ltd, as a body, in this report.

This is in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.doc. And, to the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Main Street Bakery Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Main Street Bakery Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Main Street Bakery Ltd. You consider that Main Street Bakery Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Main Street Bakery Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Roderick Gunkel & Associates Ltd
Orchardlea 
Callander
FK17 8BG

20 October 2022

Main Street Bakery Ltd
(Registration number: SC592160)
Balance Sheet as at 31 May 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	<u>5</u>	13,585	13,585
Tangible assets	<u>6</u>	19,995	15,095
		<u>33,580</u>	<u>28,680</u>
Current assets			
Stocks	<u>7</u>	7,000	6,000
Debtors	<u>8</u>	250	1,480
Cash at bank and in hand		86,705	45,748
		93,955	53,228
Creditors: Amounts falling due within one year	<u>9</u>	(83,815)	(61,336)
Net current assets/(liabilities)		10,140	(8,108)
Total assets less current liabilities		43,720	20,572
Provisions for liabilities		(3,799)	(758)
Net assets		<u>39,921</u>	<u>19,814</u>
Capital and reserves			
Called up share capital	<u>10</u>	100	100
Retained earnings		39,821	19,714
Shareholders' funds		<u>39,921</u>	<u>19,814</u>

For the financial year ending 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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.

Approved and authorised by the Board on 20 October 2022 and signed on its behalf by:

.....
Margaret MacIsaac
Director

The notes on pages 4 to 8 form an integral part of these financial statements.
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Main Street Bakery Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

1 General information

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

The address of its registered office is:

5 Glen Gardens
Callander
FK17 8ES

These financial statements were authorised for issue by the Board on 20 October 2022.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

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.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Main Street Bakery Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings, equipment	20-50% p.a reducing balance basis
Van	no depreciation warranted

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	no diminution considered to be appropriate

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.

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.

Main Street Bakery Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 12 (2021 - 11).

4 Profit before tax

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	2,117	7,995

Main Street Bakery Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

5 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2021	13,585	13,585
At 31 May 2022	13,585	13,585
Amortisation		
Carrying amount		
At 31 May 2022	13,585	13,585
At 31 May 2021	13,585	13,585

6 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 June 2021	9,895	15,995	25,890
Additions	7,017	-	7,017
At 31 May 2022	16,912	15,995	32,907
Depreciation			
At 1 June 2021	5,795	5,000	10,795
Charge for the year	2,117	-	2,117
At 31 May 2022	7,912	5,000	12,912
Carrying amount			
At 31 May 2022	9,000	10,995	19,995
At 31 May 2021	4,100	10,995	15,095

7 Stocks

	2022 £	2021 £
Stock for sale and business use	7,000	6,000

Main Street Bakery Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

8 Debtors

	2022	2021
	£	£
Current		
Trade debtors	250	1,480

9 Creditors

Creditors: amounts falling due within one year

	Note	2022	2021
		£	£
Due within one year			
Loans and borrowings	<u>11</u>	69,107	52,858
Trade creditors		2,462	1,535
Taxation and social security		10,113	4,554
Accruals and deferred income		1,750	1,750
Other creditors		383	639
		<u>83,815</u>	<u>61,336</u>

10 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

11 Loans and borrowings

	2022	2021
	£	£
Current loans and borrowings		
Director current account	69,107	52,858

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.