

# Main Street Bakery Ltd

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 May 2021

# Main Street Bakery Ltd

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# **Main Street Bakery Ltd**

## **Company Information**

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

**Chartered Certified 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 2021**

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 2021 as set out on pages 3 to 8 from the company's accounting records and from information and explanations you have given us.

As a member of the Association of Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://rulebook.accaglobal.com>.

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](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  
Chartered Certified Accountants  
Orchardlea  
Callander  
FK17 8BG

10 August 2021

**Main Street Bakery Ltd**  
**(Registration number: SC592160)**  
**Balance Sheet as at 31 May 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	13,585	13,585
Tangible assets	<u>5</u>	15,095	3,987
		<u>28,680</u>	<u>17,572</u>
<b>Current assets</b>			
Stocks	<u>6</u>	6,000	3,000
Debtors	<u>7</u>	1,480	-
Cash at bank and in hand		45,748	42,135
		53,228	45,135
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	(61,336)	(51,263)
<b>Net current liabilities</b>		(8,108)	(6,128)
<b>Total assets less current liabilities</b>		20,572	11,444
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	-	(24,000)
<b>Provisions for liabilities</b>		(758)	-
<b>Net assets/(liabilities)</b>		<u>19,814</u>	<u>(12,556)</u>
<b>Capital and reserves</b>			
Called up share capital	<u>9</u>	100	100
Profit and loss account		19,714	(12,656)
<b>Total equity</b>		<u>19,814</u>	<u>(12,556)</u>

For the financial year ending 31 May 2021 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 10 August 2021 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 2021**

### **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 10 August 2021.

### **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.

#### **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.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position 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.

# Main Street Bakery Ltd

## Notes to the Financial Statements for the Year Ended 31 May 2021

### 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	20-50% p.a reducing balance basis

### 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.

### 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.

# Main Street Bakery Ltd

## Notes to the Financial Statements for the Year Ended 31 May 2021

### 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 11 (2020 - 12).

### 4 Intangible assets

	<b>Goodwill</b> <b>£</b>	<b>Total</b> <b>£</b>
<b>Cost or valuation</b>		
At 1 June 2020	13,585	13,585
At 31 May 2021	13,585	13,585
<b>Amortisation</b>		
<b>Carrying amount</b>		
At 31 May 2021	13,585	13,585
At 31 May 2020	13,585	13,585

# Main Street Bakery Ltd

## Notes to the Financial Statements for the Year Ended 31 May 2021

### 5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 June 2020	6,787	-	6,787
Additions	3,108	15,995	19,103
At 31 May 2021	9,895	15,995	25,890
<b>Depreciation</b>			
At 1 June 2020	2,800	-	2,800
Charge for the year	2,995	5,000	7,995
At 31 May 2021	5,795	5,000	10,795
<b>Carrying amount</b>			
At 31 May 2021	4,100	10,995	15,095
At 31 May 2020	3,987	-	3,987

### 6 Stocks

	2021 £	2020 £
Stock for sale and business use	6,000	3,000

### 7 Debtors

	2021 £	2020 £
Trade debtors	1,480	-
	1,480	-

### 8 Creditors

#### Creditors: amounts falling due within one year

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings	10	52,858	49,259
Trade creditors		1,535	-
Taxation and social security		4,554	2,004
Accruals and deferred income		1,750	-
Other creditors		639	-



# **Main Street Bakery Ltd**

## **Notes to the Financial Statements for the Year Ended 31 May 2021**

### **9 Share capital**

#### **Allotted, called up and fully paid shares**

	<b>2021</b>		<b>2020</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	100	100	100	100

### **10 Loans and borrowings**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Non-current loans and borrowings</b>		
Bank borrowings	-	24,000

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Current loans and borrowings</b>		
Bank borrowings	-	6,000
Director current account	52,858	43,259
	52,858	49,259

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.