

Company Registration No. SC633367 (Scotland)

THE BALERNO INN LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

THE BALERNO INN LTD

COMPANY INFORMATION

Directors Mr W Gorol
Mr B Watson

Company number SC633367

Registered office 38 Beansburn
Kilmarnock
East Ayrshire
Scotland
KA3 1RL

Accountants William Duncan + Co Ltd
38 Beansburn
Kilmarnock
East Ayrshire
Scotland
KA3 1RL

Business address 15 Main Street
Balerno
Edinburgh
Lothian
Scotland
EH14 7EQ

THE BALERNO INN LTD

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THE BALERNO INN LTD

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF THE BALERNO INN LTD

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Balerno Inn Ltd for the year ended 30 June 2021 which comprise the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>

This report is made solely to the Board of Directors of The Balerno Inn Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of The Balerno Inn Ltd and state those matters that we have agreed to state to the Board of Directors of The Balerno Inn Ltd, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Balerno Inn Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that The Balerno Inn Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of The Balerno Inn Ltd. You consider that The Balerno Inn 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 financial statements of The Balerno Inn 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 financial statements.

William Duncan + Co Ltd
Chartered Accountants
38 Beansburn
Kilmarnock
East Ayrshire
Scotland
KA3 1RL

28 March 2022

THE BALERNO INN LTD

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		11,964		15,355
Current assets					
Stocks		5,200		3,100	
Debtors	4	115,493		15,986	
Cash at bank and in hand		291,968		99,290	
		<u>412,661</u>		<u>118,376</u>	
Creditors: amounts falling due within one year	5	<u>(250,113)</u>		<u>(122,923)</u>	
Net current assets/(liabilities)			162,548		(4,547)
Total assets less current liabilities			<u>174,512</u>		<u>10,808</u>
Provisions for liabilities			<u>(2,273)</u>		<u>(2,917)</u>
Net assets			<u>172,239</u>		<u>7,891</u>
Capital and reserves					
Called up share capital	6		2		2
Profit and loss reserves			172,237		7,889
Total equity			<u>172,239</u>		<u>7,891</u>

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

For the financial year ended 30 June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 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 BALERNO INN LTD

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2021

The financial statements were approved by the board of directors and authorised for issue on 28 March 2022 and are signed on its behalf by:

Mr W Gorol
Director

Mr B Watson
Director

Company Registration No. SC633367

THE BALERNO INN LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

The Balerno Inn Ltd is a private company limited by shares incorporated in Scotland. The registered office is 38 Beansburn, Kilmarnock, East Ayrshire, Scotland, KA3 1RL. The principal place of business is 15 Main Street, Balerno, Edinburgh, Lothian, Scotland. EH14 7EQ.

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 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.

Turnover is represented by the income from the restaurant and bar income.

1.3 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.

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:

Fixtures and fittings	20% on cost
Computers	33% on cost

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.

1.4 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. 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.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

THE BALERNO INN LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.6 Financial instruments

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. 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 interest expense in the profit and loss account.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, 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 tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 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.

1.10 Retirement benefits

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

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

THE BALERNO INN LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

1.12 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:

	2021 Number	2020 Number
Total	32	27

3 Tangible fixed assets

Plant and
machinery etc

£

Cost

At 1 July 2020

17,498

Additions

747

At 30 June 2021

18,245

Depreciation and impairment

At 1 July 2020

2,143

Depreciation charged in the year

4,138

At 30 June 2021

6,281

Carrying amount

At 30 June 2021

11,964

At 30 June 2020

15,355

THE BALERNO INN LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

4 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	14,651	-
Corporation tax recoverable	96	-
Other debtors	2,941	-
Prepayments and accrued income	97,805	15,986
	<u>115,493</u>	<u>15,986</u>

5 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	3,489	11,432
Amounts owed to group undertakings	35,522	35,522
Corporation tax	39,360	464
Other taxation and social security	15,807	26,113
Other creditors	55,325	11,527
Accruals and deferred income	100,610	37,865
	<u>250,113</u>	<u>122,923</u>

6 Called up share capital	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary of £1 each	2	2
	<u>2</u>	<u>2</u>

7 Operating lease commitments

Lessee

The company has a lease on the property and rentals are based on a percentage of sales.

8 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Balerno Holdings Ltd own the property and assets of the company. During the year recharges were invoiced totalling £119,958, including £74,859 of rent and management charges of £30,000. As at 30 June 2021 the total due to be paid to Balerno Holdings Ltd was £35,522 (2020 - £35,522).

THE BALERNO INN LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

9 Directors' transactions

During the year there was no movement on the loan that W Gorol, one of the directors, previously loaned to the company. The remaining balance on this loan is still £4,333. The director does not seek repayment of this loan within any time limit. No interest is being charged on this loan balance.

As at 30 June 2021, B Watsor had an outstanding balance of £59, relating to unpaid expenses and received payments £3,000. The balance due to be repaid by B Watson at 30 June 2021 is £2,941, this balance was repaid before the signing of the accounts.

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.