

Flying Colours Nurseries Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 September 2020

Flying Colours Nurseries Limited

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Flying Colours Nurseries Limited

Company Information

Directors	Mrs LM Perry Mr A Black
Registered office	534 Queensferry Road Edinburgh EH4 6EE
Accountants	Sense Accounting & Bookkeeping Limited 36 Bruntsfield Place Edinburgh EH10 4HJ

Flying Colours Nurseries Limited
(Registration number: SC527586)
Balance Sheet as at 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	39,113	47,653
Current assets			
Stocks	<u>5</u>	2,500	2,500
Debtors	<u>6</u>	15,034	17,058
Cash at bank and in hand		107,475	64,725
		125,009	84,283
Creditors: Amounts falling due within one year	<u>7</u>	(53,335)	(41,092)
Net current assets		<u>71,674</u>	<u>43,191</u>
Total assets less current liabilities		110,787	90,844
Provisions for liabilities		(1,897)	(2,063)
Net assets		<u>108,890</u>	<u>88,781</u>
Capital and reserves			
Called up share capital	<u>8</u>	36,100	100,100
Profit and loss account		72,790	(11,319)
Total equity		<u>108,890</u>	<u>88,781</u>

For the financial year ending 30 September 2020 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 16 March 2021 and signed on its behalf by:

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Mr A Black

Director

Flying Colours Nurseries Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

1 General information

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

The address of its registered office is:

534 Queensferry Road

Edinburgh

EH4 6EE

United Kingdom

These financial statements were authorised for issue by the Board on 16 March 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.

Going concern

The directors have carried out an assessment of the going concern position of the company, including consideration of the potential impacts of the COVID-19 global pandemic on cashflows. The directors have made use of UK government support schemes for employee job protection ('furloughing').

With due consideration of the current economic situation in the UK and beyond, and with their continued support, the directors have concluded that they have a reasonable expectation that the company has adequate access to resources to continue as a going concern for a period of at least 12 months. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Revenue recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Turnover for the sale of services is recognised when the amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will be received by the company and the stage of completion at the balance sheet date can be measured reliably.

Turnover from the sale of goods is recognised when the risks and rewards of ownership have been transferred to the buyer. Revenue is stated after sales discounts and other sales taxes, and is net of VAT.

Flying Colours Nurseries Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation is charged to the profit and loss account on a straight-line basis at the following rates over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives.

Asset class	Depreciation method and rate
Computer equipment	33.3% straight line
Fixtures and fittings	20% reducing balance
Leasehold improvements	20% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

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Notes to the Financial Statements for the Year Ended 30 September 2020

Trade debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in, first-out (FIFO) principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. 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 and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are 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.

Leases

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

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.

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Notes to the Financial Statements for the Year Ended 30 September 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 21 (2019 - 21).

4 Tangible assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost or valuation			
At 1 October 2019	57,025	29,721	86,746
Additions	-	2,087	2,087
At 30 September 2020	57,025	31,808	88,833
Depreciation			
At 1 October 2019	24,584	14,509	39,093
Charge for the year	6,488	4,139	10,627
At 30 September 2020	31,072	18,648	49,720
Carrying amount			
At 30 September 2020	25,953	13,160	39,113
At 30 September 2019	32,441	15,212	47,653

5 Stocks

	2020 £	2019 £
Other inventories	2,500	2,500

6 Debtors

	2020 £	2019 £
Other debtors	15,034	17,058
	15,034	17,058

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Notes to the Financial Statements for the Year Ended 30 September 2020

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Trade creditors		1,489	-
Taxation and social security		40,584	23,079
Other creditors		11,262	18,013
		<u>53,335</u>	<u>41,092</u>

8 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
Redeemable Preference share of £1 each	36,000	36,000	100,000	100,000
	<u>36,100</u>	<u>36,100</u>	<u>100,100</u>	<u>100,100</u>

9 Non adjusting events after the financial period

In the period since year end, the COVID-19 global pandemic has continued to have a significant impact on the wider UK and global economy, and on the company's ability to carry out normal operations. In line with UK government's current requirements, the company has implemented amended working practices.

Sense Accounting & Bookkeeping Limited

This document was delivered using electronic communications and authenticated in accordance with the
36 Electronic Communications Act 2002.
Edinburgh
The Companies Act 2006.