

Unaudited Financial Statements
for the Year Ended 31 October 2019
for
Thomas Taylor (Bowls) Limited

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for the Year Ended 31 October 2019

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Thomas Taylor (Bowls) Limited
Company
Information
for the Year Ended 31 October 2019

DIRECTORS: G Heron
Ms V Goldie

REGISTERED OFFICE: 217 Bernard Street
Glasgow
G40 3NB

REGISTERED NUMBER: SC136912 (Scotland)

ACCOUNTANTS: Gillespie & Anderson
Chartered Accountants
147 Bath Street
Glasgow
G2 4SN

BANKERS: Bank of Scotland
Sauchiehall Street
Glasgow

Balance Sheet
31 October
2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		785,197		870,398
Investments	6		<u>8</u>		<u>8</u>
			785,205		870,406
CURRENT ASSETS					
Stocks		1,198,962		967,591	
Debtors	7	1,299,239		1,217,535	
Cash in hand		<u>1,236</u>		<u>1,198</u>	
		2,499,437		2,186,324	
CREDITORS					
Amounts falling due within one year	8	<u>1,098,308</u>		<u>1,085,647</u>	
NET CURRENT ASSETS			<u>1,401,129</u>		<u>1,100,677</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,186,334		1,971,083
CREDITORS					
Amounts falling due after more than one year	9		(131,293)		(17,665)
PROVISIONS FOR LIABILITIES			(54,729)		(37,113)
ACCRUALS AND DEFERRED INCOME			<u>(33,537)</u>		<u>(37,808)</u>
NET ASSETS			<u>1,966,775</u>		<u>1,878,497</u>
CAPITAL AND RESERVES					
Called up share capital			250,000		250,000
Capital redemption reserve			225,000		225,000
Retained earnings			<u>1,491,775</u>		<u>1,403,497</u>
SHAREHOLDERS' FUNDS			<u>1,966,775</u>		<u>1,878,497</u>

Balance Sheet - continued
31 October
2019

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 6 April 2020 and were signed on its behalf by:

G Heron - Director

**Notes to the Financial Statements
for the Year Ended 31 October 2019**

1. STATUTORY INFORMATION

Thomas Taylor (Bowls) Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The directors consider it appropriate to prepare the financial statements on the going concern basis, in spite of the ongoing impact of the Covid-19 virus on the business. Discussions are ongoing with the company's bankers on the conversion of the overdraft facility into a term loan, including the application for support through the Coronavirus Business Interruption Loan Scheme, along with all other national & local government-backed support for which the company will be eligible.

Should this support be withdrawn, the company may be unable to realise its assets and discharge its liabilities in the normal course of business, whilst adjustments would have to be made to reduce the value of assets to their recoverable amounts and to provide for any further liabilities which may arise.

Preparation of consolidated financial statements

The financial statements contain information about Thomas Taylor (Bowls) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Significant judgements and estimates

In preparing the financial statements, management is required to make judgements, estimates and assumptions, based on historical experience and other relevant factors. Actual results may differ from these best estimates, which are reviewed on an ongoing basis.

The significant items in the financial statements where these judgements are required (and the factors in play) include debtors (likelihood of recovery), fixed assets (depreciation rates & useful lives), stock obsolescence and the going concern basis of accounting.

Turnover

Turnover derived from ordinary activities is measured at the fair value of consideration received or receivable and represents the net sales of goods (excluding value added tax, sales discounts and rebates) after adjusting for work in progress.

Such turnover is recognised when the company becomes entitled to the income concerned and when the outcome of the transaction can be reliably measured. This occurs when:
- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;

- the company no longer retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Goodwill

Goodwill, being the amounts paid in connection with the acquisition of businesses in 2000 & 2006 was written off evenly over the estimated useful lives of the acquisitions, considered to be seven years. Goodwill paid on the acquisition of both businesses was fully depreciated in prior years. continued...

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery etc - 25% on reducing balance, 15% on reducing balance and 10% on reducing balance

Factors such as a change in how an asset is used, significant unexpected wear and tear, technological advancement, and changes in market prices may indicate that the residual value or useful life of an asset has changed since the most recent annual reporting date. If such indicators are present, the company will review its previous estimates and, if current expectations differ, amend the residual value, depreciation method or useful life, accounting for such revisions as a change in an accounting estimate in accordance with FRS 102.

Government grants

Grants received in relation to specific capital expenditure are credited to a deferred income account and released to the profit and loss account over the useful lives of the assets to which they relate.

Grants in relation to revenue expenditure are released to the profit and loss account on receipt.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

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

Cost is determined on a "first in first out" basis, and includes all direct costs incurred plus attributable production overheads. Net realisable value is based on estimated selling price, allowing for all further costs of completion and disposal.

Financial instruments

The company has no complex financial instruments but does hold basic financial instruments of; cash at bank, debtors and creditors.

Cash and cash equivalents comprise cash at bank and on hand, foreign currency on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. A bank overdraft would be shown within current liabilities.

Trade and other debtors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less losses for bad debts except where the effective of discounting would be immaterial. In such cases, trade and other debtors are stated at cost less losses for bad debts.

Trade and other creditors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate unless the effect of discounting would be immaterial. In such cases, trade and other creditors are stated at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Employee benefits

The total cost of employee benefits to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised and charged to the profit and loss account in the period to which they relate.

Provision for liabilities

A provision is initially recognised when there is an obligation at the balance sheet date as the result of a past event, it is probable that there will be the transfer of funds in settlement and the amount of the obligation can be estimated reliably. The provision is subsequently measured by placing a charge against the provision only for expenditure for which the provision was originally recognised.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 38 (2018 - 36).

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

4. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 November 2018
and 31 October 2019

287,306

AMORTISATION

At 1 November 2018
and 31 October 2019

287,306

NET BOOK VALUE

At 31 October 2019

-

At 31 October 2018

-

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
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COST

At 1 November 2018

	598,320	1,707,331	2,305,651
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Additions

	-	(20,000)	(20,000)
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At 31 October 2019

	<u>598,320</u>	<u>1,687,331</u>	<u>2,285,651</u>
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DEPRECIATION

At 1 November 2018

	133,245	1,302,008	1,435,253
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Charge for year

	4,844	60,357	65,201
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At 31 October 2019

	<u>138,089</u>	<u>1,362,365</u>	<u>1,500,454</u>
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NET BOOK VALUE

At 31 October 2019

	<u>460,231</u>	<u>324,966</u>	<u>785,197</u>
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At 31 October 2018

	<u><u>465,075</u></u>	<u><u>405,323</u></u>	<u><u>870,398</u></u>
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Amounts reflected as "land & buildings" relate to long leasehold property.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 November 2018	115,439
Transfer to ownership	<u>(19,914)</u>
At 31 October 2019	<u>95,525</u>
DEPRECIATION	
At 1 November 2018	38,054
Charge for year	11,607
Transfer to ownership	<u>(7,684)</u>
At 31 October 2019	<u>41,977</u>
NET BOOK VALUE	
At 31 October 2019	<u>53,548</u>
At 31 October 2018	<u>77,385</u>

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 November 2018 and 31 October 2019	<u>8</u>
NET BOOK VALUE	
At 31 October 2019	<u>8</u>
At 31 October 2018	<u>8</u>

7. DEBTORS

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	197,285	209,877
Other debtors	<u>1,095,704</u>	<u>1,001,408</u>
	<u>1,292,989</u>	<u>1,211,285</u>
Amounts falling due after more than one year:		
Other debtors	<u>6,250</u>	<u>6,250</u>
Aggregate amounts	<u>1,299,239</u>	<u>1,217,535</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	333,258	400,989
Hire purchase contracts (see note 10)	8,133	17,440
Trade creditors	563,481	378,510
Taxation and social security	86,517	28,754
Other creditors	106,919	259,954
	<u>1,098,308</u>	<u>1,085,647</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Hire purchase contracts (see note 10)	9,532	17,665
Other creditors	121,761	-
	<u>131,293</u>	<u>17,665</u>

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Gross obligations repayable:		
Within one year	9,214	19,519
Between one and five years	<u>10,836</u>	<u>20,050</u>
	<u>20,050</u>	<u>39,569</u>
Finance charges repayable:		
Within one year	1,081	2,079
Between one and five years	<u>1,304</u>	<u>2,385</u>
	<u>2,385</u>	<u>4,464</u>
Net obligations repayable:		
Within one year	8,133	17,440
Between one and five years	<u>9,532</u>	<u>17,665</u>
	<u>17,665</u>	<u>35,105</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

10. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	16,239	26,591
Between one and five years	37,354	43,150
In more than five years	<u>488,125</u>	<u>497,000</u>
	<u>541,718</u>	<u>566,741</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdrafts	333,258	400,989
Hire purchase contracts	17,665	35,105
Factor dues	<u>122,813</u>	-
	<u>473,736</u>	<u>436,094</u>

The bank overdraft is secured by a standard security (dated June 1993) over the lease of the property at 217 Bernard Street, Glasgow, together with a bond and floating charge (dated April 1992) over the assets of the company, both in favour of the Bank of Scotland plc.

Liabilities under hire purchase contracts are secured over the assets concerned.

Factor dues are secured by a floating charge (dated April 2019) over all the property or undertaking of the company, in favour of Close Invoice Finance Limited.

12. OTHER FINANCIAL COMMITMENTS

At the financial year end, the company has a commitment in place to purchase bags and clothing from one of its suppliers. The ordered stock is held by the suppliers until called up by the company, at which point the goods are invoiced by the supplier. The financial commitment as at 31 October 2019 amounted to £91,090 (2018 - £255,076).

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 October 2019 and 31 October 2018:

	2019	2018
	£	£
G Heron		
Balance outstanding at start of year	7,000	7,000
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>7,000</u>	<u>7,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

Interest is no longer charged on the outstanding balance.

Repayments totalling £2,000 are anticipated in the year ending 31 October 2020, with the balance payable between one and five years.

14. RELATED PARTY DISCLOSURES

During the year, total dividends of £2,548 (2018 - £2,548) were paid to the directors .

The company has taken advantage of exemption under the terms of FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the group.

In the prior year, the controlling shareholders advanced £130,000 to the company. At the financial year end, this interest-free loan (included in Other Creditors) amounted to £167,791 (2018 - £197,091), of which £46,030 is scheduled to be repaid in the year ended 31 October 2020.

15. ULTIMATE CONTROLLING PARTY

At 31 October 2019, Mr. A W Heron and Mrs. J. Heron are considered to be the ultimate controlling parties by virtue of a joint controlling interest of 92% (2018 - 92%) in the company.