

**Burrows and Co. (Wools) Limited**  
**Filleted Unaudited Financial Statements**  
**30 September 2018**



**CHARLES BURROWS & CO**

Chartered Accountants  
7 Palmerston Place  
Edinburgh  
EH12 5AH

# **Burrows and Co. (Wools) Limited**

## **Financial Statements**

**Year ended 30 September 2018**

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# **Burrows and Co. (Wools) Limited**

## **Officers and Professional Advisers**

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### **The board of directors**

Mr I G Burrows  
Mrs E M Burrows  
Miss D Burrows

### **Company secretary**

Mr I G Burrows

### **Registered office**

Craigmuie  
Moniaive  
Thornhill  
Dumfriesshire  
DG3 4ER

### **Accountants**

Charles Burrows & Co  
Chartered Accountants  
7 Palmerston Place  
Edinburgh  
EH12 5AH

# Burrows and Co. (Wools) Limited

## Statement of Financial Position

30 September 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	6	1,636,300	1,636,300
<b>Current assets</b>			
Debtors	7	7,389	—
Cash at bank and in hand		161,638	283,931
		<u>169,027</u>	<u>283,931</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>16,296</u>	<u>18,136</u>
<b>Net current assets</b>		152,731	265,795
<b>Total assets less current liabilities</b>		<u>1,789,031</u>	<u>1,902,095</u>
<b>Provisions</b>			
Taxation including deferred tax		219,215	219,839
<b>Net assets</b>		<u>1,569,816</u>	<u>1,682,256</u>
<b>Capital and reserves</b>			
Called up share capital		12,000	12,000
Revaluation reserve		1,180,528	1,179,904
Profit and loss account		<u>377,288</u>	<u>490,352</u>
<b>Shareholders funds</b>		<u>1,569,816</u>	<u>1,682,256</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 30 September 2018 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position  
continues on the following page.

The notes on pages 5 to 9 form part of these financial statements.

# **Burrows and Co. (Wools) Limited**

## **Statement of Financial Position** *(continued)*

**30 September 2018**

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These financial statements were approved by the board of directors and authorised for issue on 17 April 2019, and are signed on behalf of the board by:



Miss D Burrows  
Director

Company registration number: SC034228

# Burrows and Co. (Wools) Limited

## Statement of Changes in Equity

Year ended 30 September 2018

	Called up share capital £	Revaluation reserve £	Profit and loss account £	<b>Total £</b>
<b>At 1 October 2016</b>	12,000	1,142,732	459,846	1,614,578
Profit for the year			67,678	67,678
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	37,172	(37,172)	—
<b>Total comprehensive income for the year</b>	—	37,172	30,506	67,678
<b>At 30 September 2017</b>	12,000	1,179,904	490,352	1,682,256
Loss for the year			(112,440)	(112,440)
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	624	(624)	—
<b>Total comprehensive income for the year</b>	—	624	(113,064)	(112,440)
<b>At 30 September 2018</b>	<u>12,000</u>	<u>1,180,528</u>	<u>377,288</u>	<u>1,569,816</u>

The notes on pages 5 to 9 form part of these financial statements.

# **Burrows and Co. (Wools) Limited**

## **Notes to the Financial Statements**

**Year ended 30 September 2018**

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### **1. General information**

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Craigmuaie, Moniaive, Thornhill, Dumfriesshire, DG3 4ER.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

Turnover shown in the profit and loss account represents amounts derived from the provision of services to customers during the year, exclusive of Value Added Tax.

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

# **Burrows and Co. (Wools) Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 30 September 2018**

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### **3. Accounting policies** *(continued)*

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings                      -     15% reducing balance

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.



# Burrows and Co. (Wools) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

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### 3. Accounting policies *(continued)*

#### Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

#### Defined contribution plans

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account so as to spread the cost of the pensions over the employees' working lives with the company. All contributions were paid during the year.

### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 3 (2017: 3).

### 5. Tax on (loss)/profit

#### Major components of tax (income)/expense

	2018 £	2017 £
<b>Current tax:</b>		
UK current tax (income)/expense	(7,389)	7,389

# Burrows and Co. (Wools) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

### 5. Tax on (loss)/profit *(continued)*

	2018 £	2017 £
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(624)	6,128
<b>Tax on (loss)/profit</b>	<u>(8,013)</u>	<u>13,517</u>

### 6. Tangible assets

	Investment property £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 October 2017 and 30 September 2018	<u>1,636,300</u>	<u>9,842</u>	<u>1,646,142</u>
<b>Depreciation</b>			
At 1 October 2017 and 30 September 2018	<u>—</u>	<u>9,842</u>	<u>9,842</u>
<b>Carrying amount</b>			
At 30 September 2018	<u>1,636,300</u>	<u>—</u>	<u>1,636,300</u>
At 30 September 2017	<u>1,636,300</u>	<u>—</u>	<u>1,636,300</u>

#### Tangible assets held at valuation

The investment properties were revalued by Dixon Heaney Kean Kennedy Chartered Surveyors during March 2018 at desktop value.

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Investment property £
<b>At 30 September 2018</b>	
Aggregate cost	236,557
Aggregate depreciation	—
<b>Carrying value</b>	<u>236,557</u>
<b>At 30 September 2017</b>	
Aggregate cost	236,557
Aggregate depreciation	—
<b>Carrying value</b>	<u>236,557</u>

# Burrows and Co. (Wools) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

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### 7. Debtors

	2018	2017
	£	£
Corporation tax	<u>7,389</u>	<u>—</u>

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

	2018	2017
	£	£
Corporation tax	—	7,389
Other creditors	<u>16,296</u>	<u>10,747</u>
	<u>16,296</u>	<u>18,136</u>

### 9. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions	<u>219,215</u>	<u>219,839</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Fair value adjustment of investment property	<u>219,215</u>	<u>219,839</u>

### 10. Related party transactions

The company was under the control of Mr I G Burrows throughout the current and previous year. Mr I G Burrows is the majority shareholder. Miss D Burrows is the managing director.

No transactions with related parties were undertaken such as are required to be disclosed under FRS 102.