

SELKIRK WEAVING COMPANY LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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FOR THE YEAR ENDED 29 FEBRUARY 2020**

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SELKIRK WEAVING COMPANY LIMITED (REGISTERED NUMBER: 01236316)

**BALANCE SHEET
29 FEBRUARY 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		20,811		8,733
CURRENT ASSETS					
Stocks		28,326		31,345	
Debtors	5	<u>17,071</u>		<u>20,524</u>	
		45,397		51,869	
CREDITORS					
Amounts falling due within one year	6	<u>112,582</u>		<u>70,645</u>	
NET CURRENT LIABILITIES			<u>(67,185)</u>		<u>(18,776)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(46,374)</u>		<u>(10,043)</u>
CAPITAL AND RESERVES					
Called up share capital			35,000		35,000
Retained earnings			<u>(81,374)</u>		<u>(45,043)</u>
			<u>(46,374)</u>		<u>(10,043)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 29 February 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 29 February 2020 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
- (b) 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.

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 16 November 2020 and were signed on its behalf by:

C W Brown - Director

Selkirk Weaving Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered office is 58 Oakmead Road, London, SW12 9SJ.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. There were no material departures from this standard. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis. At the balance sheet date, the company's liabilities exceeded its assets and its ability to trade is therefore dependent on the continued financial support of group undertakings and the company's creditors.

Judgements

The company considers on an annual basis the judgements that are made by management when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements. The directors consider there are no such significant judgements.

Turnover represents net invoiced sales of goods, excluding value added tax. The company's policy is to recognise a sale when substantively all the risks and rewards in connection with the goods have been passed to the buyer.

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

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

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount which is the higher of value in use and the fair value less cost to sell, is estimated and compared with the carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Stocks are valued at the lower of cost and estimated selling price less costs to sell.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2020**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Taxation

Taxation represents the sum of tax currently payable and deferred tax. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

With the exception of changes arising on the initial recognition of a business combination, the tax expense is presented either in profit or loss, other comprehensive income or statement of changes in equity depending on the transaction that resulted in the tax expense.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

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.

Provisions

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2019 - 9) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2020

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 March 2019	59,535
Additions	14,390
At 29 February 2020	<u>73,925</u>
DEPRECIATION	
At 1 March 2019	50,802
Charge for year	2,312
At 29 February 2020	<u>53,114</u>
NET BOOK VALUE	
At 29 February 2020	<u>20,811</u>
At 28 February 2019	<u>8,733</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	17,071	15,710
Amounts owed by group undertakings	-	4,814
	<u>17,071</u>	<u>20,524</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	21,124	21,801
Trade creditors	19,470	30,914
Amounts owed to group undertakings	43,121	-
Taxation and social security	26,036	10,254
Other creditors	2,831	7,676
	<u>112,582</u>	<u>70,645</u>

7. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	2019 £
Bank overdrafts	<u>21,124</u>	<u>21,801</u>

National Westminster Bank PLC holds a fixed and floating charge over the company assets.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2020**

8. POST BALANCE SHEET EVENTS

Since 29 February 2020, in common with many other companies, the outbreak of Covid-19 in the UK and the measures being taken to control its spread, have had a detrimental impact on the company. In response to a fall in demand, the company announced its intention to temporarily reduce its workforce by the Government's Coronavirus Job Retention Scheme and apply for other business support measures available to provide necessary financial assistance for companies affected by the pandemic.

The Company has determined that these events are non-adjusting post balance sheet events. Accordingly, the financial position as at and results of operations for the year ended 29 February 2020 have not been adjusted to reflect their impact. The duration and impact of the Covid-19 pandemic as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

9. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Ingles Buchan (Holdings) Limited. The registered address of the holding company is Unit 2/1, 19 Brand Place, 200 Brand Street, Glasgow G51 1DR.

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.