

Company Registration No. 25668 (Scotland)

**Innes Trading Company Limited**

**Abbreviated Accounts**

**For The Year Ended 31 March 2009**

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**INNES TRADING COMPANY LIMITED**

**CONTENTS**

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	<b>Page</b>
Abbreviated balance sheet	1 - 2
Notes to the abbreviated accounts	3 - 5

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# **INNES TRADING COMPANY LIMITED**

## **ABBREVIATED BALANCE SHEET**

**AS AT 31 MARCH 2009**

	Notes	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Tangible assets	2	372,336		392,550	
Investments	2	58		58	
		<u>372,394</u>		<u>392,608</u>	
<b>Current assets</b>					
Stocks		274,425		370,194	
Debtors	3	187,149		148,062	
Cash at bank and in hand		140,340		170,070	
		<u>601,914</u>		<u>688,326</u>	
<b>Creditors: amounts falling due within one year</b>	4	<u>(310,854)</u>		<u>(463,316)</u>	
<b>Net current assets</b>		<u>291,060</u>		<u>225,010</u>	
<b>Total assets less current liabilities</b>		<u>663,454</u>		<u>617,618</u>	
<b>Creditors: amounts falling due after more than one year</b>		(750,000)		(758,531)	
<b>Accruals and deferred income</b>		(10,136)		(10,669)	
		<u>(96,682)</u>		<u>(151,582)</u>	
<b>Capital and reserves</b>					
Called up share capital	5	3,000		3,000	
Profit and loss account		(99,682)		(154,582)	
<b>Shareholders' funds</b>		<u>(96,682)</u>		<u>(151,582)</u>	

# INNES TRADING COMPANY LIMITED

## ABBREVIATED BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2009

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In preparing these abbreviated accounts:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board for issue on 25/2/10



Mark E Tennant  
Director

Company Registration No. 25668

# **INNES TRADING COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2009**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

#### **Going concern**

The impact of the reclassification of preference shares as liabilities has resulted in a net deficit position. However, the nature of the liability is such as not to impair the company's ability to continue as a going concern and accordingly the going concern basis of preparation has been applied.

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Included within turnover for the year are government subsidies of £178,381 (2008 - £137,746).

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Property improvements	- 5% and 10% reducing balance
Implements and equipment	- 10% and 25% reducing balance
Motor vehicles	- 25% reducing balance

#### **1.4 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### **1.5 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.6 Stock and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value with proper provision being made for obsolete and slow moving stock. Cost comprises the invoiced price of goods and materials on a first in first out basis. Crops are valued at a nominal amount per acre for tillage plus variable costs incurred. Trading livestock is valued at market value.

#### **1.7 Deferred taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

# **INNES TRADING COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2009**

### **1 Accounting policies**

(continued)

#### **1.8 Government grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

#### **1.9 Prior Year Adjustment**

The company has applied the provisions of the Financial Reporting Standard for Smaller Entities (effective January 2007) with regards the classification of liabilities for the first time and this has resulted in a change in accounting policy. Whilst previously all issued shares were included as capital and reserves, shares now exhibiting the characteristics of liabilities are shown in creditors. The associated dividends payable are to be shown as interest paid. The effect of the adjustment has been to reduce 2008's share capital by £350,000.

### **2 Fixed assets**

	<b>Tangible assets</b>	<b>Investments</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2008	1,279,828	58	1,279,886
Additions	44,921	-	44,921
Disposals	(13,768)	-	(13,768)
	<hr/>	<hr/>	<hr/>
At 31 March 2009	1,310,981	58	1,311,039
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2008	887,278	-	887,278
On disposals	(10,978)	-	(10,978)
Charge for the year	62,345	-	62,345
	<hr/>	<hr/>	<hr/>
At 31 March 2009	938,645	-	938,645
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2009	372,336	58	372,394
	<hr/>	<hr/>	<hr/>
At 31 March 2008	392,550	58	392,608
	<hr/>	<hr/>	<hr/>

### **3 Debtors**

Debtors include an amount of £25,000 (2008 - £25,000) which is due after more than one year.

### **4 Creditors: amounts falling due within one year**

A Bank overdraft of £78,679 (2008 - £120,675) is secured by a bond and floating charge.

# **INNES TRADING COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2009**

5 Share capital	2009	2008
	£	£
<b>Authorised</b>		
3,000 Ordinary shares of £1 each	3,000	3,000
350,000 Redeemable non-cumulative 8% preference shares of £1 each	350,000	350,000
	<u>353,000</u>	<u>353,000</u>
<b>Allotted, called up and fully paid</b>		
3,000 Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>

### **6 Transactions with directors**

During the year the company paid Innes Estate Trust, a related party, rent of £35,433 (2008 - £37,188) on normal commercial terms. The company re-charged goods and services to the Trust to the value of nil (2008 - £10,600). Included in debtors at the year end is £55,980 (2008 - £37,671) due from the Trust. Included in creditors due within one year is £3,000 (2008 - £3,000) due to the Trust.

The company also trades with Innes Estate, a sole trade business operated by Mark E Tennant. During the year, Innes Estate re-charged the company £17,582 (2008 - £19,434) for goods and services. Included in debtors is £15,302 (2008 - £7,194) due from Innes Estate. During the year the company recharged the Estate £1,650 (2008 - £1,650) for administrative services.

Included in creditors due after more than one year is a loan from Mark E Tennant of £400,000 (2008 - £400,000). Included in creditors due within one year is £94,506 (2008 - £96,363) due to Mark E Tennant. Both balances are interest-free and have no fixed terms of repayment. There is also a letter of guarantee granted by Mark E Tennant for £140,000, dated 18 October 1993, and a letter of postponement by Mark E Tennant for his director's loans.