

Unaudited Financial Statements for the Year Ended 31 December 2016

for

Checker Leather Limited

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for the Year Ended 31 December 2016

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Checker Leather Limited
Company Information
for the Year Ended 31 December 2016

DIRECTORS:

P W Pattison
S Latimer
A J Pattison
I Collinge
R Finch

SECRETARY:

A J Pattison

REGISTERED OFFICE:

Unit 2
Crathie Road
Kilmarnock
Ayrshire
KA3 1LU

REGISTERED NUMBER:

SC069706 (Scotland)

ACCOUNTANTS:

The Hansen Company
The Old Forge
28 Field Road
Busby
Glasgow
G76 8SE

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Checker Leather Limited

The following reproduces the text of the report prepared for the directors and members in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Checker Leather Limited for the year ended 31 December 2016 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.org.uk/accountspreparationguidance>.

This report is made solely to the Board of Directors of Checker Leather Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Checker Leather Limited and state those matters that we have agreed to state to the Board of Directors of Checker Leather Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.org.uk/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Checker Leather Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Checker Leather Limited. You consider that Checker Leather Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Checker Leather Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

The Hansen Company
The Old Forge
28 Field Road
Busby
Glasgow
G76 8SE

21 April 2017

Balance Sheet
31 December 2016

| | Notes | 31.12.16 £ | £ | 31.12.15 £ | £ |
|--|-------|----------------|------------------|------------------|----------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | | 10,331 | | 11,000 |
| Tangible assets | 5 | | <u>10,032</u> | | <u>13,376</u> |
| | | | 20,363 | | 24,376 |
| CURRENT ASSETS | | | | | |
| Stocks | | 1,053,152 | | 1,201,144 | |
| Debtors | 6 | 971,557 | | 985,520 | |
| Cash at bank and in hand | | <u>164,822</u> | | <u>67,634</u> | |
| | | 2,189,531 | | 2,254,298 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>899,909</u> | | <u>1,318,041</u> | |
| NET CURRENT ASSETS | | | <u>1,289,622</u> | | <u>936,257</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 1,309,985 | | 960,633 |
| PROVISIONS FOR LIABILITIES | | | <u>2,006</u> | | <u>2,675</u> |
| NET ASSETS | | | <u>1,307,979</u> | | <u>957,958</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 126,900 | | 126,900 |
| Retained earnings | | | <u>1,181,079</u> | | <u>831,058</u> |
| SHAREHOLDERS' FUNDS | | | <u>1,307,979</u> | | <u>957,958</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 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)

Balance Sheet - continued
31 December 2016

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 21 April 2017 and were signed on its behalf by:

P W Pattison - Director

S Latimer - Director

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Checker Leather 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.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2000, is being amortised evenly over its estimated useful life of twenty years.

Patents & trademarks

The directors are of the opinion that the patents & trademarks are worth at least the cost value so no depreciation has been provided.

Tangible fixed assets

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

| | |
|------------------------|---------------------------|
| Furniture and fixtures | - 25% on reducing balance |
| Office equipment | - 25% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 25% on reducing balance |

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

Hire purchase and leasing commitments

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 15 .

4. **INTANGIBLE FIXED ASSETS**

| | Goodwill £ | Patents & trademarks £ | Totals £ |
|-----------------------|---------------|------------------------------|---------------|
| COST | | | |
| At 1 January 2016 | 30,000 | 2,625 | 32,625 |
| Additions | - | 831 | 831 |
| At 31 December 2016 | <u>30,000</u> | <u>3,456</u> | <u>33,456</u> |
| AMORTISATION | | | |
| At 1 January 2016 | 21,625 | - | 21,625 |
| Amortisation for year | <u>1,500</u> | <u>-</u> | <u>1,500</u> |
| At 31 December 2016 | <u>23,125</u> | <u>-</u> | <u>23,125</u> |
| NET BOOK VALUE | | | |
| At 31 December 2016 | <u>6,875</u> | <u>3,456</u> | <u>10,331</u> |
| At 31 December 2015 | <u>8,375</u> | <u>2,625</u> | <u>11,000</u> |

5. **TANGIBLE FIXED ASSETS**

| | Furniture and fixtures £ | Office equipment £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|---|-----------------------------------|--------------------------|------------------------|----------------------------|---------------|
| COST | | | | | |
| At 1 January 2016 and 31 December 2016 | <u>8,504</u> | <u>22,150</u> | <u>11,845</u> | <u>48,320</u> | <u>90,819</u> |
| DEPRECIATION | | | | | |
| At 1 January 2016 | 4,096 | 20,954 | 11,052 | 41,341 | 77,443 |
| Charge for year | <u>1,102</u> | <u>300</u> | <u>198</u> | <u>1,744</u> | <u>3,344</u> |
| At 31 December 2016 | <u>5,198</u> | <u>21,254</u> | <u>11,250</u> | <u>43,085</u> | <u>80,787</u> |
| NET BOOK VALUE | | | | | |
| At 31 December 2016 | <u>3,306</u> | <u>896</u> | <u>595</u> | <u>5,235</u> | <u>10,032</u> |
| At 31 December 2015 | <u>4,408</u> | <u>1,196</u> | <u>793</u> | <u>6,979</u> | <u>13,376</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.16 | 31.12.15 |
|---------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 621,065 | 935,018 |
| Other debtors | <u>350,492</u> | <u>50,502</u> |
| | <u>971,557</u> | <u>985,520</u> |

Trade debtors above are factored debts.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.16 | 31.12.15 |
|------------------------------|----------------|------------------|
| | £ | £ |
| Trade creditors | 222,196 | 447,654 |
| Taxation and social security | 269,329 | 91,130 |
| Other creditors | <u>408,384</u> | <u>779,257</u> |
| | <u>899,909</u> | <u>1,318,041</u> |

Other creditors include £Nil owed to the company's debt factor.(2015 £347,251).

8. OTHER FINANCIAL COMMITMENTS

The company has lease commitments under non cancellable operating leases as follows:

£
Due within two to five years 25,000

9. ULTIMATE CONTROLLING PARTY

Mr P W Pattison , Mrs A J Pattison and Mr S Latimer own all of the share capital and control the company.

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.