

**CORE PRODUCTS LIMITED**  
**UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**  
**PAGES FOR FILING WITH REGISTRAR**



# CORE PRODUCTS LIMITED

## CONTENTS

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	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

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# CORE PRODUCTS LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	3		1,593,592		1,694,404
<b>Current assets</b>					
Stocks		1,074,716		1,336,962	
Debtors	4	279,649		213,469	
Cash at bank and in hand		2,249		5,841	
		<u>1,356,614</u>		<u>1,556,272</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(862,407)</u>		<u>(1,138,716)</u>	
<b>Net current assets</b>			494,207		417,556
<b>Total assets less current liabilities</b>			<u>2,087,799</u>		<u>2,111,960</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(114,026)		(180,513)
<b>Provisions for liabilities</b>			<u>(66,691)</u>		<u>(74,844)</u>
<b>Net assets</b>			<u><u>1,907,082</u></u>		<u><u>1,856,603</u></u>
<b>Capital and reserves</b>					
Called up share capital	7		206,550		206,550
Revaluation reserve			969,108		963,668
Profit and loss reserves			731,424		686,385
<b>Total equity</b>			<u><u>1,907,082</u></u>		<u><u>1,856,603</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

# **CORE PRODUCTS LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2019**

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For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the board of directors and authorised for issue on .....4/9/19..... and are signed on its behalf by:

.....

Mr D B Wallace  
Director

**Company Registration No. SC101451**

# CORE PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2019

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#### 1 Accounting policies

##### Company information

Core Products Limited is a private company limited by shares incorporated in Scotland. The registered office is Unit 3, Arran House, Arran Road, Perth, PH1 3DZ.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Turnover

Turnover represents amounts receivable for the sale of timber based products net of VAT and trade discounts.

Revenue is recognised on the despatch of goods from the company's premises.

##### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Heritable property	2% straight line
Plant and equipment	25% - 33% straight line
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

# CORE PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

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#### 1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

#### 1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# CORE PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

#### 1 Accounting policies

(Continued)

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### **1.12 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to expenses on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

##### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# CORE PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 20 (2018 - 19).

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2018	1,600,000	643,949	2,243,949
Additions	-	19,398	19,398
Disposals	-	(61,565)	(61,565)
At 31 March 2019	1,600,000	601,782	2,201,782
<b>Depreciation and impairment</b>			
At 1 April 2018	32,000	517,545	549,545
Depreciation charged in the year	32,000	64,941	96,941
Eliminated in respect of disposals	-	(38,296)	(38,296)
At 31 March 2019	64,000	544,190	608,190
<b>Carrying amount</b>			
At 31 March 2019	1,536,000	57,592	1,593,592
At 31 March 2018	1,568,000	126,404	1,694,404

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2019 £	2018 £
Cost	739,825	739,825
Accumulated depreciation	(234,812)	(220,015)
Carrying value	505,013	519,810



# CORE PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

#### 4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	269,605	145,710
Other debtors	10,044	67,759
	<u>279,649</u>	<u>213,469</u>

The company uses an invoice factoring agent who secures their advances over the company's trade debtors.

At the balancing sheet date, amounts due to the factoring agent of £109,191 (2018 - £170,019) have been deducted from the company's trade debtors.

#### 5 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	52,192	188,700
Trade creditors	158,780	343,059
Corporation tax	58,819	60,474
Other taxation and social security	112,948	12,345
Other creditors	479,668	534,138
	<u>862,407</u>	<u>1,138,716</u>

The long term loans are secured by a bond and floating charge over the whole of the company's property and undertakings.

Obligations under finance lease and hire purchase contracts are secured over the assets they relate to.

The total obligations under hire purchase contracts included within other creditors is £23,980 (2018 - £29,055).

The aggregate amount of secured liabilities due within one year is £76,172 (2018 - £217,755).

#### 6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	<u>114,026</u>	<u>180,513</u>

The long term loans are secured by a bond and floating charge over the whole of the company's property and undertakings.

Obligations under finance lease and hire purchase contracts are secured over the assets to which they relate.

The aggregate amount of secured liabilities due after one year is £4,026 (2018 - £18,613).

# CORE PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 7 Called up share capital

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
82,620 ordinary shares of £1 each	82,620	82,620
68,165 ordinary A shares of £1 each	68,165	68,165
55,765 ordinary B shares of £1 each	55,765	55,765
	<u>206,550</u>	<u>206,550</u>

### 8 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
	-	28,720
	<u>-</u>	<u>28,720</u>

### 9 Related party transactions

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
<b>Amounts due to related parties</b>		
Key management personnel	390,000	390,000
	<u>390,000</u>	<u>390,000</u>