

Garden Options Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 January 2020

Garden Options Limited

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Company Information

Directors	Mr Hamish Andrew David Henderson Mrs Kate R Henderson
Company secretary	Mr Hamish Andrew David Henderson
Registered office	27 North Bridge Street Hawick Borders TD9 9BD
Accountants	Deans Accountants And Business Advisors Ltd 27 North Bridge Street Hawick Borders TD9 9BD

Garden Options Limited
(Registration number: SC278837)
Balance Sheet as at 31 January 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>3</u>	36,068	40,289
Current assets			
Stocks		24,900	13,020
Debtors	<u>4</u>	7,326	2,594
Cash at bank and in hand		14,437	47,457
		46,663	63,071
Creditors: Amounts falling due within one year	<u>5</u>	(40,486)	(52,581)
Net current assets		6,177	10,490
Total assets less current liabilities		42,245	50,779
Creditors: Amounts falling due after more than one year	<u>5</u>	(5,080)	(12,525)
Net assets		<u>37,165</u>	<u>38,254</u>
Capital and reserves			
Called up share capital	<u>6</u>	800	800
Profit and loss account		36,365	37,454
Total equity		<u>37,165</u>	<u>38,254</u>

For the financial year ending 31 January 2020 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 22 July 2020 and signed on its behalf by:

.....

Mr Hamish Andrew David Henderson
Company secretary and director

.....
Mrs Kate R Henderson
Director

The notes on pages 3 to 8 form an integral part of these financial statements.

Garden Options Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

27 North Bridge Street

Hawick

Borders

TD9 9BD

Scotland

The principal place of business is:

High Street

Melrose

Scottish Borders

TD6 9PA

Scotland

These financial statements were authorised for issue by the Board on 22 July 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £0.

Judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, and the physical condition of the assets.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Sale of Goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

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

Recognition and measurement

Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as an interest expense in the profit and loss account.

Impairment

At the end of each financial period financial instruments measured at fair value are assessed for objective evidence of impairment. The impairment loss is recognised in the profit and loss account.

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

3 Tangible assets

	Fixtures & fittings £	Motor vehicles £	Plant & machinery £	Total £
Cost or valuation				
At 1 February 2019	9,243	55,132	8,705	73,080
Additions	103	-	7,700	7,803
At 31 January 2020	9,346	55,132	16,405	80,883
Depreciation				
At 1 February 2019	9,090	16,758	6,943	32,791
Charge for the year	64	9,594	2,366	12,024
At 31 January 2020	9,154	26,352	9,309	44,815
Carrying amount				
At 31 January 2020	192	28,780	7,096	36,068
At 31 January 2019	153	38,374	1,762	40,289

4 Debtors

	2020 £	2019 £
Trade debtors	5,280	504
Prepayments	346	1,390
Other debtors	1,700	700
	7,326	2,594

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

5 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings		7,445	7,446
Trade creditors		5,919	22,432
Taxation and social security		22,883	20,172
Accruals and deferred income		1,567	1,731
Other creditors		2,672	800
		<u>40,486</u>	<u>52,581</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings		<u>5,080</u>	<u>12,525</u>

6 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary of £1 each	800	800	800	800

7 Related party transactions

Transactions with directors

	At 1 February 2019 £	Advances to directors £	Repayments by director £	At 31 January 2020 £
2020				
Mr Hamish Andrew David Henderson				
The loans are unsecured, interest free and have no fixed repayment terms.	(43)	(24,000)	23,172	(871)
	<u></u>	<u></u>	<u></u>	<u></u>
Mrs Kate R Henderson				
The loans are unsecured, interest free and have no repayment terms.	(757)	(8,000)	7,934	(823)
	<u></u>	<u></u>	<u></u>	<u></u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 January 2020

	At 1 February 2018 £	Advances to directors £	Repayments by director £	At 31 January 2019 £
2019				
Mr Hamish Andrew David Henderson				
The loans are unsecured, interest free and have no fixed repayment terms.	(799)	34,720	(33,964)	(43)
Mrs Kate R Henderson				
The loans are unsecured, interest free and have no repayment terms.	(1,883)	19,830	(18,704)	(757)

Hawick

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the Companies Act 2006.