

# REGISTRAR OF COMPANIES

Registration number: SC320366

**Johnstone Rae Limited**  
**Unaudited Financial Statements**  
**1 April 2020 to 30 April 2021**



# **Johnstone Rae Limited**

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**Chartered Accountants' Report to the Board of Directors on the Preparation of the  
Unaudited Statutory Accounts of  
Johnstone Rae Limited  
for the Period Ended 30 April 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Johnstone Rae Limited for the period ended 30 April 2021 as set out on pages 2 to 12 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 in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Johnstone Rae Limited, as a body, in accordance with the terms of our engagement letter dated 9 July 2020. Our work has been undertaken solely to prepare for your approval the accounts of Johnstone Rae Limited and state those matters that we have agreed to state to the Board of Directors of Johnstone Rae Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Johnstone Rae Limited and its Board of Directors as a body for our work or for this report.

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

We have not been instructed to carry out an audit or a review of the accounts of Johnstone Rae 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 accounts.

**Dodd & Co Limited**

Chartered Accountants  
FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW

27 January 2022

# Johnstone Rae Limited

(Registration number: SC320366)  
Balance Sheet as at 30 April 2021

	Note	30 April 2021 £	31 March 2020 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	80,000	-
Tangible assets	<u>5</u>	562,431	-
Other financial assets	<u>6</u>	10,710	10,710
		<u>653,141</u>	<u>10,710</u>
<b>Current assets</b>			
Stocks		1,248,718	-
Debtors	<u>7</u>	78,608	401,875
Cash at bank and in hand		<u>4,273</u>	<u>9,006</u>
		1,331,599	410,881
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(1,620,781)</u>	<u>(149,435)</u>
<b>Net current (liabilities)/assets</b>		<u>(289,182)</u>	<u>261,446</u>
<b>Total assets less current liabilities</b>		363,959	272,156
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	(73,345)	-
<b>Provisions for liabilities</b>		<u>(13,368)</u>	<u>-</u>
<b>Net assets</b>		<u>277,246</u>	<u>272,156</u>
<b>Capital and reserves</b>			
Allotted, called up and fully paid share capital		100	100
Profit and loss account		<u>277,146</u>	<u>272,056</u>
<b>Total equity</b>		<u>277,246</u>	<u>272,156</u>

# **Johnstone Rae Limited**

**(Registration number: SC320366)**

## **Balance Sheet as at 30 April 2021 (continued)**

For the financial period ending 30 April 2021 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 period 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 prepared and 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 27 January 2022 and signed on its behalf by:

.....

A J Rae

Director

# **Johnstone Rae Limited**

## **Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021**

### **1 General information**

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

The address of its registered office is:

Boghead  
Mousewald Road  
Collin  
DUMFRIES  
DG1 4JP

### **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 company has net current liabilities at 30 April 2021 and meets its day to day working capital requirements through its bank overdraft facility which, in common with all such facilities, is repayable on demand. In addition the directors have provided financial support by way of short term loans. On the basis of this support, the directors consider it appropriate to prepare the financial statements on the going concern basis.

However, should the company not have the support of its bankers, and therefore be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify fixed assets and long term liabilities as current assets and current liabilities.

#### **Disclosure of long or short period**

These financial statements have been prepared over a long period to better fit the reporting requirements of the directors.

## **Johnstone Rae Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)**

#### **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.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

#### **Government grants**

Government grants such as the basic payment scheme are included in the profit and loss account when all the necessary conditions for receipt have been met.

#### **Basic payment scheme amortisation**

The amount paid in connection with the purchase of the basic payment scheme entitlement is being amortised over the useful economic life of that entitlement. In addition, an annual impairment review is being performed.

#### **Tax**

The tax expense for the period comprises current and deferred 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are stated in the balance sheet 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.

## Johnstone Rae Limited

### Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)

#### 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
Property improvements	10% reducing balance
Plant and equipment	4%, 15% and 25% reducing balance
Motor vehicles	25% reducing balance
Office equipment	3 years straight line

#### 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 the sale of goods 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

Trading stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. The cost of livestock represents the purchase cost plus any additional costs of rearing the animal. Net realisable value is based on selling price less anticipated selling costs. Crop stock is valued at fair value less any anticipated costs to sell.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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 where due after more than one year.



## **Johnstone Rae Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)**

#### **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.

#### **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.

#### **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.

## Johnstone Rae Limited

### Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)

#### Financial instruments

##### **Classification**

Equity shares and debt securities

##### **Recognition and measurement**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method.

Dividends on equity securities are recognised in income when receivable.

##### **Impairment**

For instruments measured at cost less impairment the impairment is the difference between the assets' carrying amount and the best estimate the entity would receive for the asset if it were sold at the reporting date.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the period, was 6 (2020 - 3).

# Johnstone Rae Limited

## Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)

### 4 Intangible assets

	Basic payment scheme £	Total £
<b>Cost or valuation</b>		
Additions	100,000	100,000
At 30 April 2021	100,000	100,000
<b>Amortisation</b>		
Amortisation charge	20,000	20,000
At 30 April 2021	20,000	20,000
<b>Carrying amount</b>		
At 30 April 2021	80,000	80,000

### 5 Tangible assets

	Property improvements £	Plant and equipment £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>					
Additions	3,468	667,804	10,175	704	682,151
Disposals	-	(51,632)	-	-	(51,632)
At 30 April 2021	3,468	616,172	10,175	704	630,519
<b>Depreciation</b>					
Charge for the period	58	65,321	2,543	166	68,088
At 30 April 2021	58	65,321	2,543	166	68,088
<b>Carrying amount</b>					
At 30 April 2021	3,410	550,851	7,632	538	562,431

### 6 Other financial assets (current and non-current)

	30 April 2021 £	31 March 2020 £
<b>Non-current financial assets</b>		
Financial assets at cost less impairment	10,710	10,710

# Johnstone Rae Limited

## Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)

	Financial assets at cost less impairment £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2020	10,710	10,710
At 30 April 2021	10,710	10,710
<b>Impairment</b>		
<b>Carrying amount</b>		
At 30 April 2021	10,710	10,710

### 7 Debtors

	30 April 2021 £	31 March 2020 £
Trade debtors	67,313	-
Other debtors	11,295	401,875
	78,608	401,875

### 8 Creditors

	Note	30 April 2021 £	31 March 2020 £
<b>Due within one year</b>			
Loans and borrowings	9	1,581,061	148,082
Trade creditors		33,570	-
Corporation tax liability		-	14
Other creditors		6,150	1,339
		1,620,781	149,435
<b>Due after one year</b>			
Loans and borrowings	9	73,345	-

# Johnstone Rae Limited

## Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)

### 9 Loans and borrowings

	30 April 2021 £	31 March 2020 £
<b>Current loans and borrowings</b>		
Bank borrowings	8,129	-
Finance lease liabilities	32,875	-
Other borrowings	1,540,057	148,082
	<u>1,581,061</u>	<u>148,082</u>

Current loans and borrowings includes the following liabilities, on which security has been given by the company:

	30 April 2021 £	31 March 2020 £
Bank borrowings	8,129	-
Finance lease liabilities	32,875	-
	<u>41,004</u>	<u>-</u>

Bank borrowings secured by floating charges over the company's assets.  
Finance lease liabilities are secured on the assets to which they relate.

	30 April 2021 £	31 March 2020 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	41,667	-
Finance lease liabilities	31,678	-
	<u>73,345</u>	<u>-</u>

Non-current loans and borrowings includes the following liabilities, on which security has been given by the company:

	30 April 2021 £	31 March 2020 £
Bank borrowings	41,667	-
Finance lease liabilities	31,678	-
	<u>73,345</u>	<u>-</u>

# Johnstone Rae Limited

## Notes to the Unaudited Financial Statements for the Period from 1 April 2020 to 30 April 2021 (continued)

Bank borrowings secured by floating charges over the company's assets.  
Finance lease liabilities are secured on the assets to which they relate.

### 10 Transition to FRS 102

For the year ended 30 April 2021 the company has prepared financial statements in accordance with FRS 102, transitioning from FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime'. This has involved a full retrospective restatement of assets and liabilities from the transition date, 1 April 2019, the only transition adjustment being to recognise financial assets at fair value.

#### Balance Sheet at 1 April 2019

	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Capital and reserves</b>				
Profit and loss account	199,555	-	70,083	269,638
Total equity	199,555	-	70,083	269,638

#### Profit and Loss Account for the year ended 31 March 2020

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Administrative expenses	(71,202)	-	70,083	(1,119)

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.