

REGISTERED NUMBER: SC365971 (Scotland)

**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
WESTSIDE DISTRIBUTION LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2019

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WESTSIDE DISTRIBUTION LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DIRECTORS:

Mrs A M Grant
P E Hay
J F Van Der Schoot

SECRETARY:

Mrs A M Grant

REGISTERED OFFICE:

100 Fifty Pitches Road
Glasgow
G51 4EB

REGISTERED NUMBER:

SC365971 (Scotland)

AUDITORS:

Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

REVIEW OF BUSINESS

There has been an increase in turnover compared to the prior year from £11,794k to £12,973k.

At the year end the Company had shareholders funds and distributable profits of £9,171k. The directors therefore believe the Company's position to be satisfactory.

KEY PERFORMANCE INDICATORS

The gross profit margin for the year has increased from 27.6% to 29.9%.

The operating profit margin for the year has increased from 14.4% to 16.7%.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have assessed the main risk facing the Company as being the competition from other companies within the industry. The directors believe that the reputation of the Company and the quality of the products and services provided will mitigate this risk.

FINANCIAL RISK MANAGEMENT AND OBJECTIVES AND POLICIES

The Company finances its operations through a mixture of retained profits and operational bank accounts, and where necessary bank borrowings and hire purchase to fund the Company's expansion or capital expenditure programmes. The management's objectives are to:

- retain sufficient liquid funds to enable the Company to meet its day to day obligations as they fall due whilst maximising returns on surplus funds;
- minimise the Company's exposure to fluctuating interest and exchange rates; and
- match the repayment schedule of any external borrowings with the future cash flows expected to arise from the Company's trading activities.

The Company is exposed to the normal credit risk associated with dealing with customers on commercial credit terms.

ON BEHALF OF THE BOARD:

P E Hay - Director

8 December 2019

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the Company for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the wholesale of musical instruments.

DIVIDENDS

During the year dividends of £500,000 (2018: £8,333) were paid to the shareholders.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

Mrs A M Grant
P E Hay
J F Van Der Schoot

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Consilium Audit Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P E Hay - Director

8 December 2019

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WESTSIDE DISTRIBUTION LIMITED**

Opinion

We have audited the financial statements of Westside Distribution Limited (the 'Company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WESTSIDE DISTRIBUTION LIMITED**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Holt (Senior Statutory Auditor)
for and on behalf of Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

13 December 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
TURNOVER			12,972,691		11,793,530
Cost of sales			9,097,659		8,534,378
GROSS PROFIT			3,875,032		3,259,152
Administrative expenses			1,728,151		1,556,290
			2,146,881		1,702,862
Other operating income			22,280		-
OPERATING PROFIT	4		2,169,161		1,702,862
Income from shares in group undertakings		-		3,098,340	
Interest receivable and similar income		7,476		1,929	
Amounts provided against investments	5	-		(200)	
Interest payable and similar expenses	6	-		(80)	
			7,476		3,099,989
PROFIT BEFORE TAXATION			2,176,637		4,802,851
Tax on profit	7		414,304		322,795
PROFIT FOR THE FINANCIAL YEAR			1,762,333		4,480,056
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			1,762,333		4,480,056

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Tangible assets	9		66,528		82,075
Investments	10		-		-
			<u>66,528</u>		<u>82,075</u>
CURRENT ASSETS					
Stocks	11	5,165,240		4,816,195	
Debtors	12	1,618,972		1,346,810	
Cash at bank and in hand		<u>4,688,747</u>		<u>3,889,352</u>	
		11,472,959		10,052,357	
CREDITORS					
Amounts falling due within one year	13	<u>2,358,120</u>		<u>2,212,849</u>	
NET CURRENT ASSETS			<u>9,114,839</u>		<u>7,839,508</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,181,367</u>		<u>7,921,583</u>
PROVISIONS FOR LIABILITIES	15		<u>9,818</u>		<u>12,367</u>
NET ASSETS			<u><u>9,171,549</u></u>		<u><u>7,909,216</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		300		300
Retained earnings	17		<u>9,171,249</u>		<u>7,908,916</u>
SHAREHOLDERS' FUNDS			<u><u>9,171,549</u></u>		<u><u>7,909,216</u></u>

The financial statements were approved by the Board of Directors on 8 December 2019 and were signed on its behalf by:

P E Hay - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2017	100	3,437,193	3,437,293
Changes in equity			
Issue of share capital	200	-	200
Dividends	-	(8,333)	(8,333)
Total comprehensive income	-	4,480,056	4,480,056
Balance at 31 March 2018	<u>300</u>	<u>7,908,916</u>	<u>7,909,216</u>
Changes in equity			
Dividends	-	(500,000)	(500,000)
Total comprehensive income	-	1,762,333	1,762,333
Balance at 31 March 2019	<u>300</u>	<u>9,171,249</u>	<u>9,171,549</u>

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

		2019	2018
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	20	1,507,419	918,141
Interest element of hire purchase or finance lease rental payments paid		-	(80)
Tax paid		(487,139)	(122,481)
Net cash from operating activities		<u>1,020,280</u>	<u>795,580</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,492)	(1,313)
Interest received		7,476	1,929
Net cash from investing activities		<u>5,984</u>	<u>616</u>
Cash flows from financing activities			
Capital repayments in year		-	(14,204)
Amounts introduced by directors		501,823	-
Amounts paid to directors		(228,692)	(591,080)
Amounts paid to related parties		-	(76,293)
Equity dividends paid		(500,000)	(8,333)
Net cash from financing activities		<u>(226,869)</u>	<u>(689,910)</u>
Increase in cash and cash equivalents		<u>799,395</u>	<u>106,286</u>
Cash and cash equivalents at beginning of year	21	3,889,352	3,783,066
Cash and cash equivalents at end of year	21	<u>4,688,747</u>	<u>3,889,352</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. STATUTORY INFORMATION

Westside Distribution 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. In preparing the financial statements the directors have made the following judgements:

- Determine whether leases entered into by the Company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed credit terms.
- Determine whether any stock provision is required via comparison of cost and net realisable value of stock on an item by item basis. Factors considered include stock obsolescence, stock turnover and stock condition.

Turnover

The turnover shown in the Statement of Comprehensive Income represents the value of all goods sold during the year, less returns received and services delivered at a selling price exclusive of Value Added Tax. Sales are recognised at the point at which the Company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- 20% reducing balance

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Investments in subsidiaries

Investments in subsidiaries are recognised at cost less any provision for impairment.

Stocks

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

Cost consists of purchase price and the normal cost of transporting stock to its present location and condition.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

2. ACCOUNTING POLICIES - continued**Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

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

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

Taxation

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

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.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the Statement of Comprehensive Income.

Leasing commitments

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits 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 and the pension charge represents the amounts payable by the Company to the fund in respect of the year. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions to the Company's defined contribution scheme are charged to the Statement of Comprehensive Income in the year in which they become payable.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

3. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	902,877	835,834
Social security costs	89,419	88,644
Other pension costs	12,052	5,660
	<u>1,004,348</u>	<u>930,138</u>

The average number of employees during the year was as follows:

	2019	2018
Management staff	3	3
Distribution staff	<u>33</u>	<u>31</u>
	<u>36</u>	<u>34</u>

	2019	2018
	£	£
Directors' remuneration	49,312	47,283
Directors' pension contributions to money purchase schemes	<u>348</u>	<u>168</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>3</u>
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The Company considers key management to be the directors of the Company. The key management remuneration for the year is as disclosed above.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Other operating leases	159,737	130,497
Depreciation - owned assets	17,039	21,128
Auditors' remuneration	<u>10,000</u>	<u>10,000</u>

5. AMOUNTS PROVIDED AGAINST INVESTMENTS

	2019	2018
	£	£
Provision against fixed asset investments	<u>-</u>	<u>200</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Hire purchase interest	<u>-</u>	<u>80</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	416,853	327,652
Over provision in prior year	-	(107)
Total current tax	<u>416,853</u>	<u>327,545</u>
Deferred tax	(2,549)	(4,750)
Tax on profit	<u>414,304</u>	<u>322,795</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>2,176,637</u>	<u>4,802,851</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	413,561	912,542
Effects of:		
Expenses not deductible for tax purposes	575	587
Income not taxable for tax purposes	-	(588,685)
Adjustments to tax charge in respect of previous periods	-	(107)
Deferred tax at lower rate	142	(1,542)
Non-qualifying depreciation	26	-
Total tax charge	<u>414,304</u>	<u>322,795</u>

8. DIVIDENDS

	2019 £	2018 £
Ordinary shares of £1 each		
Paid in year	<u>500,000</u>	<u>8,333</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2018	158,223	29,500	73,319	261,042
Additions	<u>1,492</u>	<u>-</u>	<u>-</u>	<u>1,492</u>
At 31 March 2019	<u>159,715</u>	<u>29,500</u>	<u>73,319</u>	<u>262,534</u>
DEPRECIATION				
At 1 April 2018	108,552	20,360	50,055	178,967
Charge for year	<u>10,101</u>	<u>2,285</u>	<u>4,653</u>	<u>17,039</u>
At 31 March 2019	<u>118,653</u>	<u>22,645</u>	<u>54,708</u>	<u>196,006</u>
NET BOOK VALUE				
At 31 March 2019	<u>41,062</u>	<u>6,855</u>	<u>18,611</u>	<u>66,528</u>
At 31 March 2018	<u>49,671</u>	<u>9,140</u>	<u>23,264</u>	<u>82,075</u>

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2018 and 31 March 2019	<u>200</u>
PROVISIONS	
At 1 April 2018 and 31 March 2019	<u>200</u>
NET BOOK VALUE	
At 31 March 2019	<u>-</u>
At 31 March 2018	<u>-</u>

The Company's investments at the Balance Sheet date in the share capital of companies include the following:

Southlands Music Limited

Registered office: 100 Fifty Pitches Road, Glasgow, G51 4EB

Nature of business: Dormant

	% holding
Class of shares:	
Ordinary	100.00

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 201910. **FIXED ASSET INVESTMENTS - continued****Eastlands Music Limited**

Registered office: 100 Fifty Pitches Road, Glasgow, G51 4EB

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

The Company's investments in its wholly owned subsidiaries have been written down to £nil as a result of the companies being dissolved on 11 June 2019.

11. **STOCKS**

	2019	2018
	£	£
Stocks	5,165,240	4,816,195

12. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	1,458,712	1,235,094
Prepayments and accrued income	160,260	111,716
	<u>1,618,972</u>	<u>1,346,810</u>

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade creditors	1,196,179	1,210,769
Tax	257,366	327,652
Social security and other taxes	23,039	24,229
VAT	120,085	182,789
Other creditors	24,423	14,570
Directors' current accounts	694,453	421,322
Accruals	42,575	31,518
	<u>2,358,120</u>	<u>2,212,849</u>

14. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	102,716	126,214
Between one and five years	14,007	17,832
	<u>116,723</u>	<u>144,046</u>

15. **PROVISIONS FOR LIABILITIES**

	2019	2018
	£	£
Deferred tax		
Accelerated capital allowances	9,818	12,367

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

15. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 April 2018	12,367
Provided during year	<u>(2,549)</u>
Balance at 31 March 2019	<u>9,818</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
300	Ordinary	£1	<u>300</u>	<u>300</u>

17. RESERVES

	Retained earnings £
At 1 April 2018	7,908,916
Profit for the year	1,762,333
Dividends	<u>(500,000)</u>
At 31 March 2019	<u>9,171,249</u>

18. RELATED PARTY DISCLOSURES

During the year, the Company purchased goods totalling £nil (2018: £3,290,808) and incurred rental costs amounting to £68,000 (2018: £58,000) from related parties with common ownership.

Directors

The directors' current accounts are unsecured, interest free and repayable on demand. Total net amounts outstanding at 31 March 2019 were £694,453 (2018: £421,322) and are included within other creditors falling due within one year.

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

19. ULTIMATE CONTROLLING PARTY

The Company was under the control of P E Hay throughout the current and previous year by virtue of his majority interest in the issued share capital of the Company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

20. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2019	2018
	£	£
Profit before taxation	2,176,637	4,802,851
Depreciation charges	17,039	21,128
Impairment of investment	-	200
Finance costs	-	80
Finance income	(7,476)	(3,100,269)
	<u>2,186,200</u>	<u>1,723,990</u>
Increase in stocks	(349,045)	(1,342,717)
Increase in trade and other debtors	(272,162)	(247,167)
(Decrease)/increase in trade and other creditors	(57,574)	784,035
Cash generated from operations	<u>1,507,419</u>	<u>918,141</u>

21. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2019

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	<u>4,688,747</u>	<u>3,889,352</u>

Year ended 31 March 2018

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	<u>3,889,352</u>	<u>3,783,066</u>

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.