

The Capon Tree (Scotland) Limited

trading as The Capon Tree

Annual Report and Unaudited Financial Statements
for the Period from 6 April 2019 to 31 March 2020

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>9</u>

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Company Information

Directors	Mr Alasdair John Wilkie Mrs Ashley Ann Wilkie
Registered office	61 High Street Jedburgh Scottish Borders TD8 6DQ
Accountants	Deans Accountants And Business Advisors Ltd 27 North Bridge Street Hawick Borders TD9 9BD

The Capon Tree (Scotland) Limited
trading as The Capon Tree

(Registration number: SC617031)
Balance Sheet as at 31 March 2020

	Note	2020 £
Fixed assets		
Intangible assets	<u>4</u>	8,000
Tangible assets	<u>5</u>	<u>54,275</u>
		<u>62,275</u>
Current assets		
Stocks	<u>6</u>	6,453
Debtors	<u>7</u>	21,227
Cash at bank and in hand		<u>200</u>
		27,880
Creditors: Amounts falling due within one year	<u>8</u>	<u>(81,314)</u>
Net current liabilities		<u>(53,434)</u>
Net assets		<u>8,841</u>
Capital and reserves		
Called up share capital	<u>9</u>	100
Profit and loss account		<u>8,741</u>
Shareholders' funds		<u>8,841</u>

For the financial period ending 31 March 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 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 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 17 February 2021 and signed on its behalf by:

.....
Mr Alasdair John Wilkie
Director

The Capon Tree (Scotland) Limited
trading as The Capon Tree

(Registration number: SC617031)
Balance Sheet as at 31 March 2020

.....
Mrs Ashley Ann Wilkie
Director

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Notes to the Unaudited Financial Statements for the Period from 6 April 2019 to 31 March 2020

1 General information

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

The address of its registered office is:

61 High Street
Jedburgh
Scottish Borders
TD8 6DQ
Scotland

The principal place of business is:

61 High Street
Jedburgh
Scottish Borders
TD8 6DQ
Scotland

These financial statements were authorised for issue by the Board on 17 February 2021.

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 included:

Useful economic lives of tangible assets – the annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives and residual values 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 are recognised on sale to the customer which are usually by cash, credit or payment card.

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 Capon Tree (Scotland) Limited
trading as The Capon Tree

Notes to the Unaudited Financial Statements for the Period from 6 April 2019 to 31 March 2020

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.

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.

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
Fixtures and fittings	20% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	amortised over 5 years

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.

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Notes to the Unaudited Financial Statements for the Period from 6 April 2019 to 31 March 2020

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Notes to the Unaudited Financial Statements for the Period from 6 April 2019 to 31 March 2020

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial 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 expenses in the profit and loss account

Impairment

At the end of each reporting 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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 7.

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Notes to the Unaudited Financial Statements for the Period from 6 April 2019 to 31 March 2020

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
Additions acquired separately	10,000	10,000
At 31 March 2020	10,000	10,000
Amortisation		
Amortisation charge	2,000	2,000
At 31 March 2020	2,000	2,000
Carrying amount		
At 31 March 2020	8,000	8,000

5 Tangible assets

	Fixtures and fittings £	Total £
Cost or valuation		
Additions	57,693	57,693
At 31 March 2020	57,693	57,693
Depreciation		
Charge for the period	3,418	3,418
At 31 March 2020	3,418	3,418
Carrying amount		
At 31 March 2020	54,275	54,275

6 Stocks

	2020 £
Other inventories	6,453

7 Debtors

	2020 £
Trade debtors	390
Other debtors	20,837

The Capon Tree (Scotland) Limited
trading as The Capon Tree

Notes to the Unaudited Financial Statements for the Period from 6 April 2019 to 31 March 2020

8 Creditors

Creditors: amounts falling due within one year

	Note	2020 £
Due within one year		
Loans and borrowings	<u>10</u>	43,858
Trade creditors		756
Taxation and social security		20,715
Accruals and deferred income		2,000
Other creditors		13,985
		<u>81,314</u>

Creditors: amounts falling due after more than one year

**2020
£**

9 Share capital

Allotted, called up and fully paid shares

	No.	2020 £
Ordinary shares of £1 each	100	100
		<u>100</u>

10 Loans and borrowings

	2020 £
Current loans and borrowings	
Bank borrowings	3,750
Bank overdrafts	15,605
Hire purchase contracts	77
Other borrowings	24,426
	<u>43,858</u>

11 Related party transactions

Other transactions with directors

During the year the directors loaned the company monies, the balance outstanding at the year end was £12,367.

Hawick

This document was delivered using electronic communications and authenticated in accordance with the
Bodies' rules relating to electronic form, authentication and manner of delivery under section 1072 of
the Companies Act 2006.