

# **CULTURE**

## **PERTH & KINROSS**

**CULTURE PERTH AND KINROSS TRADING LIMITED**

**Company number: SC526979**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 MARCH 2017**

## CULTURE PERTH AND KINROSS TRADING LIMITED

### COMPANY INFORMATION

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**Directors** Mr Ian Robert Campbell  
Mr William Jason Hugh Elles  
Mr Andrew John Parrott

**Registered number** SC526979

**Registered office** AK Bell Library  
2 – 8 York Place  
Perth  
Perthshire  
PH2 8EP

**Independent auditor** Campbell Dallas  
5 Whitefriars Crescent  
Perth  
PH2 0PA

**Bankers** Royal Bank of Scotland  
12 Dunkeld Road  
Perth  
PH1 5RB

# CULTURE PERTH AND KINROSS TRADING LIMITED

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## CULTURE PERTH AND KINROSS TRADING LIMITED

### DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2017

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The directors present their report and the financial statements for the period ended 31 March 2017.

#### **Directors' responsibilities statement**

The directors are responsible for preparing 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 applicable law and Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities). 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 for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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.

#### **Principal activity**

The principal activity of the company is the operation of a cafeteria and retail heritage activities as Culture Perth and Kinross Limited.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £122,547

#### **Directors**

The directors who served during the year and since the year end were:

Mr Ian Robert Campbell (appointed 16 February 2016)  
Mr William Jason Hugh Elles (appointed 18 March 2016)  
Mr Andrew John Parrott (appointed 16 February 2016)

#### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**CULTURE PERTH AND KINROSS TRADING LIMITED**

**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2017**

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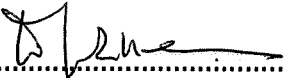
**Auditor**

The auditor, Campbell Dallas, was appointed at the Board Meeting on 15<sup>th</sup> January 2016 and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Small Company Exemption**

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by.

  
.....

Director

Date: 17<sup>th</sup> July 2017.....

## CULTURE PERTH AND KINROSS TRADING LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CULTURE PERTH AND KINROSS TRADING LIMITED

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We have audited the financial statements of Culture Perth & Kinross Trading Limited for the year ended 31 March 2017 on pages five to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page one, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements, inclusion or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

CULTURE PERTH AND KINROSS TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CULTURE PERTH AND KINROSS TRADING LIMITED

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**Matters on which we are required to report by exception**

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

*Campbell Dallas LLP*

Neil Morrison (Senior Statutory Auditor)  
for and on behalf of Campbell Dallas LLP  
Chartered Accountants &  
Statutory Auditors  
5 Whitefriars Crescent  
Perth  
Perthshire  
PH2 0PA

Date: *18th July 2017*

CULTURE PERTH AND KINROSS TRADING LIMITED  
REGISTERED NUMBER:SC081948

STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE PERIOD ENDED 31 MARCH 2017

	Note	2017 £
Turnover	4	189,515
Cost of sales		(49,999)
<b>Gross profit</b>		<b>139,516</b>
Administrative expenses		(98,748)
Other operating income	5	81,779
<b>Operating profit</b>		<b>122,547</b>
<b>Profit on ordinary activities before taxation</b>		<b>122,547</b>
Taxation on profit on ordinary activities		-
<b>Profit for the financial year</b>		<b>122,547</b>
Retained earnings at the beginning of the period		-
Profit for the financial year		122,547
Gift Aid		(122,547)
<b>Retained earnings at the end of the period</b>		<b>-</b>

The notes on pages 7 to 15 form part of these financial statements

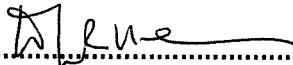


CULTURE PERTH AND KINROSS TRADING LIMITED  
REGISTERED NUMBER: SC081948

BALANCE SHEET  
AS AT 31 MARCH 2017

	Note		2017 £
<b>Fixed assets</b>			
Tangible assets	7		2,599
			<u>2,599</u>
<b>Current assets</b>			
Stocks	8	14,139	
Debtors: amounts falling due within one year	9	26,524	
Cash at bank and in hand	10	120,249	
		<u>160,912</u>	
Creditors: amounts falling due within one year	11	(163,510)	
		<u>(163,510)</u>	
<b>Net current liabilities</b>			(2,598)
<b>Total assets less current liabilities</b>			<u>1</u>
<b>Net assets</b>			<u>1</u>
<b>Capital and reserves</b>			
Called up share capital			1
Profit and loss account			-
			<u>1</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Director

The notes on pages 7 to 15 form part of these financial statements.

# CULTURE PERTH AND KINROSS TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

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### 1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 March 2017.

The continuing activities of the Culture Perth and Kinross Trading Limited ('the company') are the operating of a cafeteria and other retail operations.

The company is a private company limited by shares and is incorporated in Scotland on 16 February 2016. The company's registered number is SC526979.

The address of the company's registered office is AK Bell Library, 2-8 York Place, Perth, Perthshire, PH2 8EP, Scotland.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities) and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3)

#### 2.2 Going concern

The directors are of the opinion that the company will continue to trade for the foreseeable future due to the net assets and cash position. The financial statements have therefore been prepared on a going concern basis.

## CULTURE PERTH AND KINROSS TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

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#### 2. Accounting policies (continued)

##### 2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation will be provided on the following basis:

Plant and machinery                      - 25% straight line

No depreciation is provided in year of acquisition and a full year's depreciation will be provided for in year of disposal.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Income and Retained Earnings.

##### 2.5 Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

## CULTURE PERTH AND KINROSS TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

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#### 2. Accounting policies (continued)

##### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

##### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

##### 2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## CULTURE PERTH AND KINROSS TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

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#### 2. Accounting policies (continued)

##### 2.10 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The directors do not consider there to be any accounting judgements required in preparing these accounts. The directors are satisfied that accounting policies are appropriate and applied consistently.

#### 4. Turnover

The turnover is attributable to the one principal activity of the company and was generated wholly within the United Kingdom.

CULTURE PERTH AND KINROSS TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2017

5. Other operating income

	2017 £
Service fee income from Culture Perth and Kinross Limited	81,779
	<u>81,779</u>

6. Employees

During the year, no director received any emoluments.

The average number of employees, per head count, during the year was 4.

7. Tangible fixed assets

	Plant and machinery £
<b>Cost</b>	
Additions for the period	2,599
At 31 March 2017	<u>2,599</u>
<b>Depreciation</b>	
Charge for the period	-
At 31 March 2017	<u>-</u>
<b>Net book value</b>	
At 31 March 2017	<u>2,599</u>

8. Stocks

	2017 £
Finished goods and goods for resale	14,139
	<u>14,139</u>

CULTURE PERTH AND KINROSS TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2017

9. Debtors

	2017 £
Trade debtors	12,694
Other debtors	13,830
	<u>26,524</u>

10. Cash and cash equivalents

	2017 £
Cash at bank and in hand	120,249
	<u>120,249</u>

11. Creditors: Amounts falling due within one year

	2017 £
Trade creditors	6,103
Taxation and social security	7,480
Accruals	27,380
Gift Aid creditor	122,547
	<u>163,510</u>

12. Financial instruments

	2017 £
<b>Financial assets</b>	
Financial assets measured at amortised cost	26,524
	<u>26,524</u>
<b>Financial liabilities</b>	
Financial liabilities measured at amortised cost	156,030
	<u>156,030</u>

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals and gift aid creditor.

## CULTURE PERTH AND KINROSS TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

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#### 13. Related party transactions

The company has taken advantage of the exemption under FRS 102 paragraph 1AC.35 from the requirement to disclose the information of transactions with entities which are part of the group on the basis that the consolidated group financial statements are publically available.

#### 14. Controlling party

The company is a wholly owned subsidiary of Culture Perth and Kinross Limited, a charitable company registered in Scotland (No. SC518247). The registered office of Culture Perth and Kinross Limited is A K Bell Library, 2 – 8 York Place, Perth, PH2 8EP. The ultimate controlling party is Perth & Kinross Council.



**CULTURE PERTH AND KINROSS TRADING LIMITED**

**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 31 MARCH 2017**

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	Note	2017 £
Turnover	4	189,515
Cost of sales		(49,999)
<b>Gross profit</b>		<u>139,516</u>
<b>Gross profit %</b>		73.6%
		<u>139,516</u>
<b>Less: overheads</b>		
Administration expenses		(98,748)
Other operating income	5	81,779
<b>Operating profit</b>		<u>122,547</u>
<b>Profit for the year</b>		<u>122,547</u>

**CULTURE PERTH AND KINROSS TRADING LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE PERIOD ENDED 31 MARCH 2017**

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<b>Turnover</b>	<b>2017 £</b>
Sales	189,515
	<hr/>
	189,515
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<b>Cost of sales</b>	<b>2017 £</b>
Purchases	64,138
Closing stocks	(14,139)
	<hr/>
	49,999
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<b>Administration expenses</b>	<b>2017 £</b>
Staff costs recharged	81,779
Miscellaneous supplied and services	498
Licences and subscriptions	1,237
Exhibitions	23
Fee - other	47
Accountancy fees	12,200
Auditors' remuneration	1,200
Bank charges	1,764
	<hr/>
	98,748
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<b>Other operating income</b>	<b>2017 £</b>
Service fee income from Culture Perth and Kinross Limited	81,779
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	81,779
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