

Company Registration No. SC526979 (Scotland)

CULTURE PERTH AND KINROSS TRADING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

CULTURE PERTH AND KINROSS TRADING LIMITED

COMPANY INFORMATION

Directors	Mr W J H Elles Mr A J Parrott Mr C J Ahern
Company number	SC526979
Registered office	A K Bell Library 2-8 York Place Perth PH2 8EP
Auditor	Campbell Dallas Audit Services 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 YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr W J H Elles
Mr A J Parrott
Mr C J Ahern

Auditor

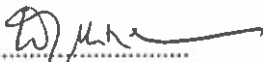
In accordance with the company's articles, a resolution proposing that Campbell Dallas Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr W J H Elles
Director

Date: 27th August 2019

CULTURE PERTH AND KINROSS TRADING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The directors are responsible for preparing the annual 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). 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.

CULTURE PERTH AND KINROSS TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF CULTURE PERTH AND KINROSS TRADING LIMITED

Opinion

We have audited the financial statements of Culture Perth and Kinross Trading Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet 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 FRS 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 *Auditor's 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 included in the annual report, other than the financial statements and our auditor's report 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

CULTURE PERTH AND KINROSS TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF CULTURE PERTH AND KINROSS TRADING LIMITED

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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.

Auditor's 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to them in an auditor's report 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 member for our audit work, for this report, or for the opinions we have formed.

Campbell Dallas Audit Services

Neil Morrison (Senior Statutory Auditor)
for and on behalf of Campbell Dallas Audit Services

10th September 2019

Accountants
Statutory Auditor

5 Whitefriars Crescent
Perth
PH2 0PA

CULTURE PERTH AND KINROSS TRADING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Turnover	202,802	207,221
Cost of sales	(68,648)	(89,575)
Gross profit	134,154	117,646
Administrative expenses	(123,916)	(126,091)
Other operating income	-	8,357
Operating profit/(loss)	10,238	(88)
Interest receivable and similar income	23	88
Profit before taxation	10,261	-
Tax on profit	-	-
Profit for the financial year	10,261	-

CULTURE PERTH AND KINROSS TRADING LIMITED

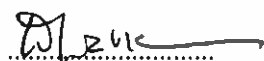
BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		1,299		1,949
Current assets					
Stocks		17,244		17,677	
Debtors	4	17,118		15,451	
Cash at bank and in hand		22,130		12,902	
		<u>56,492</u>		<u>46,030</u>	
Creditors: amounts falling due within one year	5	<u>(47,529)</u>		<u>(47,978)</u>	
Net current assets/(liabilities)			8,963		(1,948)
Total assets less current liabilities			<u>10,262</u>		<u>1</u>
Capital and reserves					
Called up share capital	6		1		1
Profit and loss reserves			10,261		-
Total equity			<u>10,262</u>		<u>1</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27th August 2019 and are signed on its behalf by:



Mr W J H Elles
Director

Company Registration No. SC526979

CULTURE PERTH AND KINROSS TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Culture Perth and Kinross Trading Limited is a private company limited by shares incorporated in Scotland. The registered office is A K Bell Library, 2-8 York Place, Perth, PH2 8EP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised to the extent that it is probably that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as far 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 the revenue is recognised:

Revenue from the sale of goods is recognised when all of the following conditions have been 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 transactions; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

CULTURE PERTH AND KINROSS TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical costs 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 or valuation of assets less their residual values over their useful lives on a reducing value basis.

Depreciation is provided on the following basis:

Plant and equipment	25% straight line
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No depreciation is provided in the year of acquisition and a full year's depreciation will be provided for in the year of disposal.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted retrospectively, 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 value of the asset and are recognised within profit or loss.

1.4 Stocks

Stocks are stated at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

1.5 Cash at bank and in hand

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.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CULTURE PERTH AND KINROSS TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2018 - 4).

3 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 April 2018 and 31 March 2019	2,599
Depreciation and impairment	
At 1 April 2018	650
Depreciation charged in the year	650
At 31 March 2019	1,300
Carrying amount	
At 31 March 2019	1,299
At 31 March 2018	1,949

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	12,790	10,766
Other debtors	4,328	4,685
	17,118	15,451

5 Creditors: amounts falling due within one year

	2019 £	2018 £
	Notes	
Bank loans and overdrafts	-	18,403
Trade creditors	3,654	3,670
Other taxation and social security	8,729	6,635
Due to parent company	26,988	9,974
Accruals and deferred income	8,158	9,296
	47,529	47,978

CULTURE PERTH AND KINROSS TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6	Called up share capital	2019	2018
		£	£
	Ordinary share capital Issued and fully paid		
	1 Ordinary of £1 each	1	1
		<u>1</u>	<u>1</u>

7 Related party transactions

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

8 Parent company

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 TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

		2019		2018
	£	£	£	£
Turnover				
Sales - Museums and galleries		29,392		32,834
Catering - Museums and galleries		5,353		4,000
Room hire - Museums and galleries		8,115		7,447
Sales - Libraries and information		16,934		16,688
Catering - Libraries and information		99,055		102,275
Room hire - Libraries and information		26,985		26,771
Photocopier and charges - Libraries and informatio		16,968		17,206
		<u>202,802</u>		<u>207,221</u>
Cost of sales				
Opening stocks	17,677		14,139	
Purchases - Museums and galleries	11,807		22,679	
Purchases - Libraries and information	55,095		56,273	
Equipment purchases - Libraries and information	113		13,561	
Equipment rental - Libraries and information	1,200		600	
Closing stocks	(17,244)		(17,677)	
		<u>(68,648)</u>		<u>(89,575)</u>
Gross profit	66.15%	134,154	56.77%	117,646
Other operating income				
Service fee income from Culture Perth & Kinross Limited		-		8,357
Administrative expenses		(123,916)		(126,091)
Operating profit/(loss)		10,238		(88)
Interest receivable and similar income				
Investment interest	23		88	
		<u>23</u>		<u>88</u>
Profit before taxation	5.06%	10,261	-	-

CULTURE PERTH AND KINROSS TRADING LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2019

	2019	2018
	£	£
Administrative expenses		
Staff costs recharged - Museums and galleries	-	5,322
Staff costs recharged - Libraries and information	111,181	104,139
Licences and subscriptions	1,048	250
Accountancy	3,880	3,633
Auditors' remuneration	2,600	2,600
Charitable donations	-	4,975
Bank charges	2,974	1,705
Advertising and exhibitions	65	199
Miscellaneous supplies and expenses	1,376	1,513
Fees - other	-	208
Irrecoverable VAT	142	897
Depreciation	650	650
	<u>123,916</u>	<u>126,091</u>
