



**Falkirk Community Trading Limited**

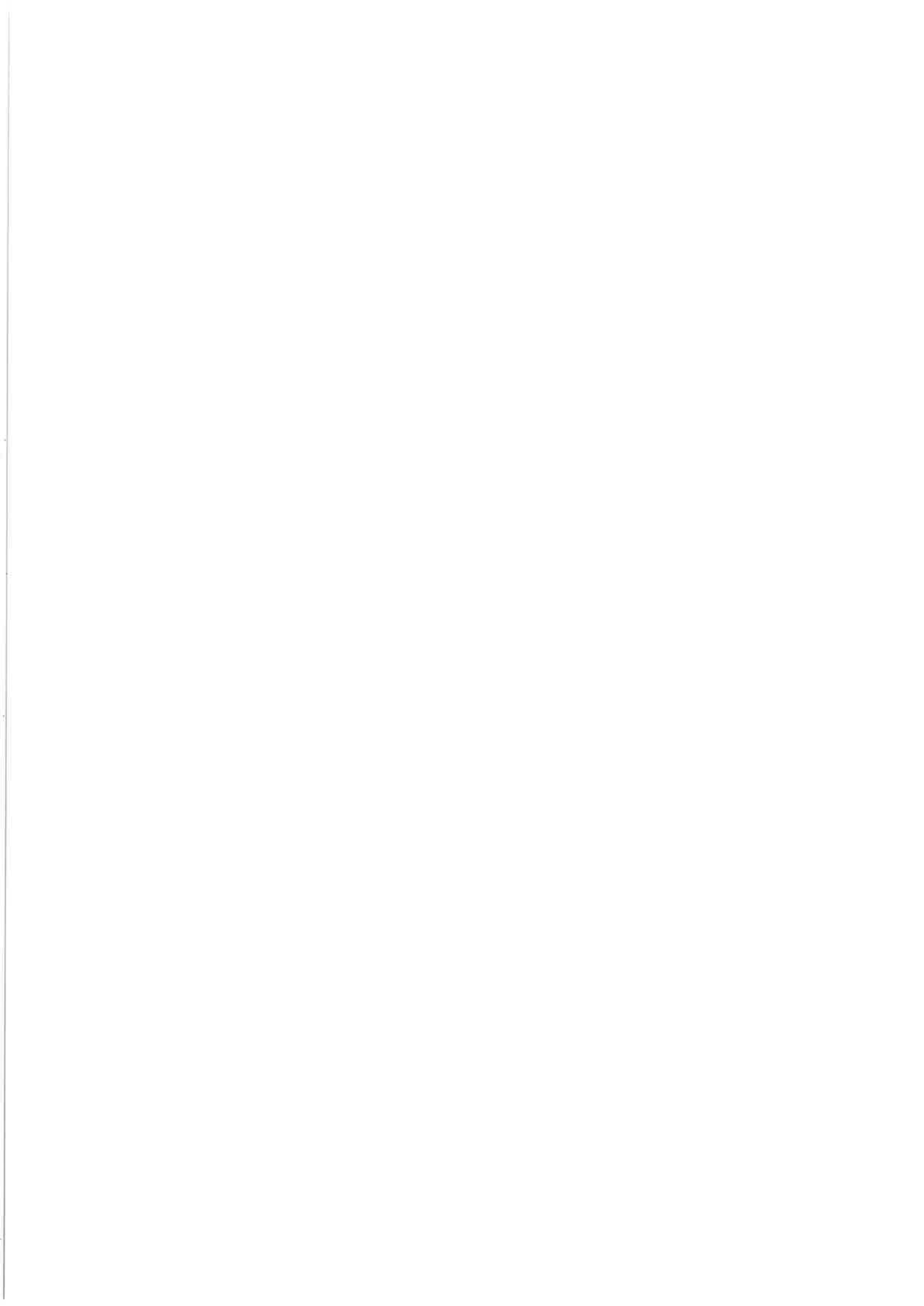
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report and  
financial  
statements

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**2018**

Company Registration No.SC400658



Report of the Directors and

Audited Financial Statements for the Year Ended 31 March 2018

for

Falkirk Community Trading Limited

Falkirk Community Trading Limited

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for the Year Ended 31 March 2018

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Falkirk Community Trading Limited

Company Information  
for the Year Ended 31 March 2018

<b>DIRECTORS:</b>	Maureen Campbell Christopher Morris Suzanne Arkinson Ased Iqbal Shona Dunsmore
<b>REGISTERED OFFICE:</b>	Suite 1A The Falkirk Stadium 4 Stadium Way Falkirk FK2 9EE
<b>REGISTERED NUMBER:</b>	SC400658 (Scotland)
<b>AUDITORS:</b>	Drummond Laurie CA Statutory Auditor Unit 5 Gateway Business Park Beancross Road Grangemouth FK3 8WX
<b>BANKERS:</b>	The Royal Bank of Scotland plc 2 Newmarket Street Falkirk FK1 1JX

## Falkirk Community Trading Limited

### Report of the Directors for the Year Ended 31 March 2018

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the management and operation of catering services and other non-charitable activities for the parent company, Falkirk Community Trust Limited.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

Maureen Campbell  
Christopher Morris  
Suzanne Arkinson  
Ased Iqbal

Other changes in directors holding office are as follows:

Ian Scott - resigned 30 June 2017  
Steve Mackie - resigned 18 August 2017  
Shona Dunsmore - appointed 31 October 2017

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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;

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.

#### **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**

Drummond Laurie CA were appointed as auditors for 2 years covering the financial statements up to the year ended 31 March 2019. Auditors for ensuing years will be appointed subject to a tender process.

Falkirk Community Trading Limited

Report of the Directors  
for the Year Ended 31 March 2018

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink that reads "Suzanne Arkinson". The signature is written in a cursive style with a large initial 'S' and a long, sweeping tail.

Suzanne Arkinson - Director

6 August 2018

Report of the Independent Auditors to the Members of  
Falkirk Community Trading Limited

**Opinion**

We have audited the financial statements of Falkirk Community Trading Limited (the 'company') for the year ended 31 March 2018 which comprise the Income Statement, Statement of Financial Position 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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 Report of the Directors, 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 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, 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.

**Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.



Report of the Independent Auditors to the Members of  
Falkirk Community 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 Report of the Directors.

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 from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

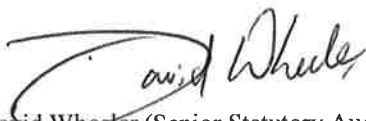
As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to 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.

**Our 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



David Wheeler (Senior Statutory Auditor)  
for and on behalf of Drummond Laurie CA  
Statutory Auditor  
Unit 5  
Gateway Business Park  
Beancross Road  
Grangemouth  
FK3 8WX

Date: .....21/8/18.....

Falkirk Community Trading Limited

Income Statement  
for the Year Ended 31 March 2018

	Notes	31.3.18 £	31.3.17 £
<b>TURNOVER</b>		1,802,556	1,770,790
Cost of sales		<u>(1,331,234)</u>	<u>(1,363,587)</u>
<b>GROSS PROFIT</b>		471,322	407,203
Administrative expenses		<u>(471,322)</u>	<u>(407,203)</u>
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		-	-
Tax on profit		<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

Falkirk Community Trading Limited (Registered number: SC400658)

Statement of Financial Position

31 March 2018

	Notes	31.3.18 £	31.3.17 £
<b>CURRENT ASSETS</b>			
Stocks		90,031	73,357
Debtors	4	8,099	26,555
Cash in hand		<u>15,603</u>	<u>12,407</u>
		113,733	112,319
<b>CREDITORS</b>			
Amounts falling due within one year	5	<u>(113,732)</u>	<u>(112,318)</u>
<b>NET CURRENT ASSETS</b>		<u>1</u>	<u>1</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1</u>	<u>1</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		<u>1</u>	<u>1</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>1</u>	<u>1</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 6 August 2018 and were signed on its behalf by:



Suzanne Arkinson - Director

The notes form part of these financial statements

## Falkirk Community Trading Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 1. **STATUTORY INFORMATION**

Falkirk Community Trading Limited is a private company, limited by shares, domiciled in Scotland, registration number SC400658. The registered office is Suite 1A, The Falkirk Stadium, 4 Stadium Way, Falkirk, FK2 9EE.

The company's parent is Falkirk Community Trust Limited which has the same registered office.

#### 2. **ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

##### **Turnover**

The turnover shown in the profit and loss account represents the value of all goods and services provided during the year, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

##### **Stocks**

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

Cost is calculated using the first-in first-out method and includes the normal cost of transporting stock to its present location and condition. Cost is represented by purchase price. Net realisable value is the anticipated sales proceeds less any cost of disposal.

##### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

##### **Pension costs**

Falkirk Community Trading Limited is a member of the Falkirk Pension Fund, a Local Government Pension Scheme, which is a defined benefit scheme and provides benefits based on final pensionable pay. As part of the Admission Agreement to the Scheme Falkirk Community Trust Limited, Falkirk Community Trading Limited and Falkirk Council agreed that assets of the Pension Fund in respect of Trust employees and former employees shall, at all times, be notionally allocated to Falkirk Council and the liabilities of the Pension Fund shall, at all times, be the responsibility of Falkirk Council and not Falkirk Community Trust. As a consequence of this agreement there is no requirement to disclose pension assets and liabilities in the accounts of Falkirk Community Trading Limited.

##### **Provisions**

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Falkirk Community Trading Limited

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2018

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 26 (2017 - 25).

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

	31.3.18	31.3.17
	£	£
Trade debtors	8,099	16,469
Amounts owed by group undertakings	-	10,086
	<u>8,099</u>	<u>26,555</u>

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

	31.3.18	31.3.17
	£	£
Trade creditors	60,616	93,565
Amounts owed to group undertakings	31,716	-
Amounts owed to related parties	9,361	6,236
Taxation and social security	9,612	9,488
Other creditors	2,427	3,029
	<u>113,732</u>	<u>112,318</u>

6. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with its parent company Falkirk Community Trust Limited which prepares consolidated accounts.

The company is related to Falkirk Council by virtue of Falkirk councillors being directors of the parent company Falkirk Community Trust Limited. Recharges for expenses paid on the company's behalf have been made in the year and the company owed £9,361 (2017 - £6,236) to Falkirk Council at 31 March 2018. This amount is after setting-off an amount owed by Falkirk Council to the Company of £516 (2017: £3,683).

Falkirk Community Trading Limited

Trading and Profit and Loss Account  
for the Year Ended 31 March 2018

	31.3.18		31.3.17	
	£	£	£	£
<b>Sales</b>		1,802,556		1,770,790
<b>Cost of sales</b>				
Materials and supplies	918		1,185	
Resaleable items	202,213		214,705	
Vending machine supplies	41,452		58,932	
Catering supplies	362,235		397,939	
Wages	602,876		577,435	
Social security	25,540		23,446	
Pensions	96,000		89,945	
		<u>1,331,234</u>		<u>1,363,587</u>
<b>GROSS PROFIT</b>		471,322		407,203
<b>Establishment costs</b>				
Utilities	3,295		3,224	
Property repairs	7,819		59,027	
Cleaning and laundry	6,009		8,254	
		<u>17,123</u>		<u>70,505</u>
		454,199		336,698
<b>Administrative expenses</b>				
Equipment repairs	68,298		33,489	
Hire of equipment	24		178	
Subscriptions and licences	2,020		4,035	
Other expenses	18,606		22,720	
Charitable donations	360,951		269,242	
Legal fees	2,400		5,034	
Auditors' remuneration	1,900		2,000	
		<u>454,199</u>		<u>336,698</u>
<b>NET PROFIT</b>		<u>-</u>		<u>-</u>

This page does not form part of the statutory financial statements