

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016
FOR
FALKIRK COMMUNITY TRADING LIMITED**

FALKIRK COMMUNITY TRADING LIMITED
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FOR THE YEAR ENDED 31 MARCH 2016

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FALKIRK COMMUNITY TRADING LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2016

DIRECTORS:

Maureen Campbell
Christopher Morris
Ian Scott
Steve Mackie

REGISTERED OFFICE:

Suite 1A
The Falkirk Stadium
4 Stadium Way
Falkirk
FK2 9EE

REGISTERED NUMBER:

SC400658

AUDITORS:

Drummond Laurie Limited
Statutory Auditor
Unit 5
Gateway Business Park
Beancross Road
Grangemouth
FK3 8WX

BANKERS:

Clydesdale Bank plc
1 Bank Street
Falkirk
FK1 1NB

FALKIRK COMMUNITY TRADING LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

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 2015 to the date of this report.

Maureen Campbell
Christopher Morris
Ian Scott

Other changes in directors holding office are as follows:

Steve Mackie – appointed 22 October 2015
Ann Cowen – resigned 22 October 2015
Clive Ramsay – resigned 18 February 2016

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). 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.

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 Limited have been appointed as auditors for 3 years covering the financial statements up to the year ended 31 March 2017.

FALKIRK COMMUNITY TRADING LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

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

ON BEHALF OF THE BOARD:



Ian Scott - Director

Date: 31/10/16

FALKIRK COMMUNITY TRADING LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FALKIRK COMMUNITY TRADING LIMITED

We have audited the financial statements of Falkirk Community Trading Limited for the year ended 31 March 2016 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 two, 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 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

FALKIRK COMMUNITY TRADING LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FALKIRK
COMMUNITY TRADING LIMITED**

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 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.



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

Date: 9/12/16

FALKIRK COMMUNITY TRADING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	31.3.16 £	31.3.15 £
TURNOVER		1,364,496	1,089,045
Cost of sales		<u>(1,143,322)</u>	<u>(1,006,105)</u>
GROSS PROFIT/(LOSS)		221,174	82,940
Administrative expenses		<u>(221,174)</u>	<u>(82,940)</u>
		-	-
Other operating income		<u>-</u>	<u>-</u>
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	-
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

FALKIRK COMMUNITY TRADING LIMITED (REGISTERED NUMBER: SC400658)

BALANCE SHEET
31 MARCH 2016

	Notes	31.3.16 £	31.3.15 £
CURRENT ASSETS			
Stocks	4	65,417	52,565
Debtors	5	27,941	17,396
Cash in hand		<u>24,069</u>	<u>10,696</u>
		117,427	80,657
CREDITORS			
Amounts falling due within one year	6	<u>(117,426)</u>	<u>(80,656)</u>
NET CURRENT ASSETS		<u>1</u>	<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1</u>	<u>1</u>
CAPITAL AND RESERVES			
Called up share capital	7	<u>1</u>	<u>1</u>
SHAREHOLDERS' FUNDS		<u>1</u>	<u>1</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 31/03/16 and were signed on its behalf by:

Ian Scott - Director

FALKIRK COMMUNITY TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

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.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet 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.

FALKIRK COMMUNITY TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES - continued

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.

2. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.16	31.3.15
	£	£
Pension costs	<u>85,043</u>	<u>73,962</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

Employees of the company are members of Falkirk Council Pension Fund. Contributions in the year relating to those employees amounted to £85,043 (2015 - £73,962). The amount of outstanding contributions which are due to Falkirk Council at 31 March 2016 amounted to £8,925 (2015 - £7,724).

The fund is valued every three years by a professionally qualified independent actuary using the projected unit method to determine the rates of contribution payable. Unless the actuary directs otherwise, the contribution rate set for Falkirk Community Trust will be the same rate as payable by Falkirk Council. In the year of 31 March 2016 the employer contribution rate was 21%.

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2016 nor for the year ended 31 March 2015.

4. STOCKS

	31.3.16	31.3.15
	£	£
Stocks	<u>65,417</u>	<u>52,565</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.16	31.3.15
	£	£
Trade debtors	27,941	16,246
Prepayments and accrued income	<u>-</u>	<u>1,150</u>
	<u>27,941</u>	<u>17,396</u>

FALKIRK COMMUNITY TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016**

6.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.16	31.3.15
		£	£
	Trade creditors	82,694	3,569
	Amounts owed to group undertakings	24,925	69,099
	Social security and other taxes	9,807	7,413
	Accruals and deferred income	<u>-</u>	<u>575</u>
		<u><u>117,426</u></u>	<u><u>80,656</u></u>

7.	CALLED UP SHARE CAPITAL		
	Allotted, issued and fully paid:		
	Number:	Class:	Nominal value:
			31.3.16
			£
	1	Ordinary	£1
			<u><u>1</u></u>
			<u><u>1</u></u>

8.	RESERVES		Profit and loss account
			£
	Profit for the year		<u>-</u>
	At 31 March 2016		<u><u>-</u></u>

9. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Falkirk Community Trust Limited, a company limited by guarantee incorporated in Scotland.

10. RELATED PARTY DISCLOSURES

The company is related to Falkirk Community Trust Limited by virtue of that company being the parent company. The company has taken advantage of the exemption under Financial Reporting Standard for Smaller Entities (effective January 2015) from disclosing transactions with Falkirk Community Trust Limited on the grounds that it is a wholly owned subsidiary consolidated within the parent company's group 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 £7,905 (2015 - £7,724) to Falkirk Council at 31 March 2016. This amount is after setting-off an amount owed by Falkirk Council to the Company of £1,020.

11. ULTIMATE CONTROLLING PARTY

The company is controlled by its parent company Falkirk Community Trust Limited. The financial statements of Falkirk Community Trust Limited can be obtained from Companies House.

FALKIRK COMMUNITY TRADING LIMITED
TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016

	£	31.3.16 £	£	31.3.15 £
Sales		1,364,496		1,089,045
Cost of sales				
Materials and supplies	2,626		964	
Resaleable items	129,484		70,088	
Vending machine supplies	59,570		45,598	
Catering supplies	342,032		320,516	
Wages	511,378		479,432	
Social security	13,189		15,545	
Pensions	85,043		73,962	
		<u>1,143,322</u>		<u>1,006,105</u>
GROSS PROFIT/(LOSS)		221,174		82,940
Other income				
Contract with Falkirk Council		-		-
		<u>221,174</u>		<u>82,940</u>
Expenditure				
Utilities	2,410		4,251	
Property repairs	967		2,768	
Equipment repairs	38,194		9,898	
Cleaning and laundry	3,806		2,413	
Hire of equipment	142		1,300	
Subscriptions and licences	3,372		2,746	
Other expenses	12,833		19,874	
Charitable donations	159,450		39,690	
		<u>221,174</u>		<u>82,940</u>
NET PROFIT		<u>-</u>		<u>-</u>

This page does not form part of the statutory financial statements

