

**DENFIND STONE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2022
PAGES FOR FILING WITH THE REGISTRAR**

DENFIND STONE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2022

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DENFIND STONE LIMITED
BALANCE SHEET
AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	3	1,632,159	1,599,382
		1,632,159	1,599,382
Current assets			
Stocks		3,367	8,249
Debtors	4	96,388	192,309
Cash at bank and in hand	5	349	1,925
		100,104	202,483
Creditors: amounts falling due within one year	6	(434,681)	(511,702)
Net current liabilities		(334,577)	(309,219)
Total assets less current liabilities		1,297,582	1,290,163
Creditors: amounts falling due after more than one year	7	(199,030)	(210,391)
Provision for liabilities	8	(166,516)	(172,215)
Net assets		932,036	907,557
Capital and reserves			
Called-up share capital	9	100	100
Profit and loss account		931,936	907,457
Total shareholders' funds		932,036	907,557

For the financial year ending 31 October 2022 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 financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Statement of Income and Retained Earnings has not been delivered.

The financial statements of Denfind Stone Limited (registered number: SC268906) were approved and authorised for issue by the Director on 29 May 2023. They were signed on its behalf by:

Brian George Kinnear Binnie
Director

DENFIND STONE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Denfind Stone Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is 15 Academy Street, Forfar, DD8 2HA, United Kingdom. The principal place of business is Denfind Farm, Monikie, By Dundee, DD5 3PZ.

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 items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the Company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors note that the business has net current liabilities of £331,894. The Company is supported through loans from the directors. The directors have confirmed that the loan facilities will continue to be available for at least 12 months from the date of signing these financial statements and the directors will continue to support the Company. Given the current position, the directors believe that any foreseeable debts can be met for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Statement of Income and Retained Earnings in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

Turnover

Turnover represents sales of quarried stone and building goods and services, excluding value added tax.

Revenue is recognised on an accruals basis.

Employee benefits

Short term benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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Defined contribution schemes

The Company operates a defined contribution scheme. The amount charged to the Statement of Income and Retained Earnings in respect of pension costs and other post-retirement benefits is the contributions payable in the financial year. Differences between contributions payable in the financial year and contributions actually paid are included as either accruals or prepayments in the Balance Sheet.

Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Land and buildings	0 - 50 years straight line
Plant and machinery	4 - 10 years straight line
Vehicles	4 years straight line
Fixtures and fittings	25 % reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

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Leases

The Company as lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Statement of Income and Retained Earnings over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and Retained Earnings as described below.

Non-financial assets

At each balance sheet date, the company reviews its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

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Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either 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 measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, hire purchase agreements, and bank overdraft facilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Government grants

Government grants are recognised based on the performance model and are measured at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received.

A grant that specifies performance conditions is recognised in income only when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the grant proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Ordinary share capital

The ordinary share capital of the Company is presented as equity.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2. Employees

	2022	2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	21	16

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3. Tangible assets

	Land and buildings	Plant and machinery	Vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 01 November 2021	981,203	1,239,089	40,990	27,167	2,288,449
Additions	48,303	117,338	60,144	1,797	227,582
Disposals	0	0	(21,995)	0	(21,995)
At 31 October 2022	1,029,506	1,356,427	79,139	28,964	2,494,036
Accumulated depreciation					
At 01 November 2021	32,788	619,138	19,244	17,897	689,067
Charge for the financial year	17,331	148,042	12,766	2,461	180,600
Disposals	0	0	(7,790)	0	(7,790)
At 31 October 2022	50,119	767,180	24,220	20,358	861,877
Net book value					
At 31 October 2022	979,387	589,247	54,919	8,606	1,632,159
At 31 October 2021	948,415	619,951	21,746	9,270	1,599,382

4. Debtors

	2022	2021
	£	£
Trade debtors	90,835	179,547
Other debtors	5,553	12,762
	96,388	192,309

5. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	349	1,925
Less: Bank overdrafts	(187,483)	(235,921)
	(187,134)	(233,996)

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6. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts (secured)	197,483	241,754
Trade creditors	67,780	123,274
Other taxation and social security	32,467	613
Obligations under finance leases and hire purchase contracts (secured)	76,413	63,228
Other creditors	60,538	82,833
	434,681	511,702

Bank loans and overdrafts are secured by a floating charge over the assets of the company.

Obligations under finance lease contracts are secured over the asset which the agreement relates.

7. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans (secured)	34,167	44,167
Obligations under finance leases and hire purchase contracts (secured)	164,863	166,224
	199,030	210,391

Bank loans are secured by a floating charge over the assets of the company.

Obligations under finance lease contracts are secured over the asset which the agreement relates.

8. Provision for liabilities

	2022	2021
	£	£
Deferred tax	166,516	172,215

9. Called-up share capital

	2022	2021
	£	£
Allotted, called-up and fully-paid		
50 A ordinary shares of £ 1.00 each	50	50
50 B ordinary shares of £ 1.00 each	50	50
	100	100

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