

COMPANY REGISTRATION NUMBER: SC375740

Inverness Kart Raceway Ltd
Filleted Financial Statements
31 December 2020

Inverness Kart Raceway Ltd**Statement of Financial Position****31 December 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	929,338	960,464
Current assets			
Stocks		4,468	3,006
Debtors	6	41,046	42,806
Cash at bank and in hand		179,617	114,983
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		225,131	160,795
Creditors: amounts falling due within one year	7	164,812	192,699
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Net current assets/(liabilities)		60,319	(31,904)
		-----	-----
Total assets less current liabilities		989,657	928,560
Creditors: amounts falling due after more than one year	8	962,334	922,987
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Net assets		27,323	5,573
		-----	-----
Capital and reserves			
Called up share capital		100	100
Profit and loss account		27,223	5,473
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Shareholders funds		27,323	5,573
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 23 December 2021, and are signed on behalf of the board by:

Mr C Henderson

Director

Company registration number: SC375740

Inverness Kart Raceway Ltd

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Forbes House, 36 Huntly Street, Inverness, IV3 5PR, United Kingdom. The address of the principal place of business is Fairways Business Park, Sir Walter Scott Drive, Inverness, IV2 6AA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

Whilst there is uncertainty and risk arising from Covid-19 the directors feel that the impact to the business is limited to the short term and does not pose a significant material threat to the business. Since the year end trading levels have increased and returned to a pre-Covid level therefore the directors consider it appropriate to continue to adopt the going concern basis of accounting.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	-	over the lease term
Plant and machinery	-	10% - 20% straight line
Fixtures and fittings	-	10% straight line
Motor vehicles	-	25% straight line
Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments, which includes debtors, bank and cash balances and creditors are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 19 (2019: 20).

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Jan 2020	971,305	114,661	35,674	850	14,523	1,137,013
Additions	1,418	8,365	1,097	–	3,811	14,691
Disposals	–	(869)	–	–	(2,250)	(3,119)
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At 31 Dec 2020	972,723	122,157	36,771	850	16,084	1,148,585
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Depreciation						
At 1 Jan 2020	98,818	52,019	12,363	213	13,136	176,549
Charge for the year	25,418	14,190	3,677	212	1,618	45,115
Disposals	–	(374)	–	–	(2,043)	(2,417)
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At 31 Dec 2020	124,236	65,835	16,040	425	12,711	219,247
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Carrying amount						
At 31 Dec 2020	848,487	56,322	20,731	425	3,373	929,338
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At 31 Dec 2019	872,487	62,642	23,311	637	1,387	960,464
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6. Debtors

	2020 £	2019 £
Trade debtors	1,200	3,000
Amounts owed by group undertakings and undertakings in which the company has a participating interest	25,718	25,718
Other debtors	14,128	14,088
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	41,046	42,806
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7. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	16,738	17,812
Trade creditors	6,941	8,400
Amounts owed to group undertakings and undertakings in which the company has a participating interest	35,353	46,665
Social security and other taxes	14,515	18,638
Other creditors	91,265	101,184
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	164,812	192,699
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The bank loans amounting to £16,738 (2019 - £17,812) are secured by a first and floating charge over the property or undertaking of the company.

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

	2020	2019
	£	£
Bank loans and overdrafts	210,916	162,385
Amounts owed to group undertakings and undertakings in which the company has a participating interest	293,618	288,879
Other creditors	457,800	471,723
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	962,334	922,987
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The bank loans amounting to £210,916 (2019 - £162,385) are secured by a first and floating charge over the property or undertaking of the company.

Included within creditors: amounts falling due after more than one year is an amount of £264,037 (2019: £275,519) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The loans falling due after more than five years are repayable by instalments at a fixed rate of interest of 2.75% over the Bank of England base rate.

9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	5,000	20,000
Later than 1 year and not later than 5 years	80,000	80,000
Later than 5 years	576,668	581,668
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	661,668	681,668
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10. Summary audit opinion

The auditor's report for the year dated 23 December 2021 was unqualified.

The senior statutory auditor was Daniel Palombo M.A., C.A. , for and on behalf of Ritsons .

11. Related party transactions

The company has taken advantage of the FRS 102 1AC.35 exemption available to those subsidiaries that are 100% owned. Accordingly, disclosure is not made of any related party transactions with the company's parent company.

12. Ethical standards

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

13. Controlling party

The company is a 100% subsidiary of Day 1 Ltd , a charitable company registered in Scotland with the registration number SC291616 and registered office at 47 Island Bank Road, Inverness, United Kingdom, IV2 4QT .

