



**Alexander Sloan**  
Accountants and Business Advisers

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**Govan Home Team C.I.C.**  
**Annual Report and Financial Statements**  
**Period from 27 February 2017 to 31 March 2018**  
**Registration number: SC558776**

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# **Govan Home Team C.I.C.**

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## **Govan Home Team C.I.C.**

### **Company Information**

<b>Registered office</b>	246 Edmiston Drive Glasgow G51 2YU
<b>Solicitors</b>	T C Young LLP 7 West George Street Glasgow G2 1BA
<b>Bankers</b>	Royal Bank of Scotland 788 Govan Road Glasgow G51 2YL
<b>Auditors</b>	Alexander Sloan Accountants and Business Advisers 180 St Vincent Street Glasgow G2 5SG

## **Govan Home Team C.I.C.**

### **Directors' Report for the Period from 27 February 2017 to 31 March 2018**

The directors present their report and the financial statements for the period from 27 February 2017 to 31 March 2018. This is the first set of financial statements.

#### **Incorporation**

The company was incorporated on 27 February 2017 and commenced trading on 1 May 2017

#### **Parent**

The company is the 100% owned subsidiary of Govan Housing Association.

#### **Principal activity**

The principal activity of the company is Combined facilities and support services

#### **Directors of the company**

The directors who held office during the period were as follows:

John Andrew Kane - Director (appointed 1 May 2017)

Colin Quigley - Director (appointed 27 February 2017)

Gary Maguire - Director (appointed 27 February 2017)

Andrew Masterton - Director (appointed 1 May 2017)

Fiona McTaggart - Director (appointed 27 February 2017)

Audrey Simpson - Director (appointed 1 May 2017)

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

Alexander Sloan were appointed as Auditors for the period ended 31 March 2018 and a resolution proposing their reappointment shall be put to the AGM.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

**Govan Home Team C.I.C.**

**Directors' Report for the Period from 27 February 2017 to 31 March 2018**

Approved by the Board on 30 August 2018 and signed on its behalf by:

.....  
Gary Maguire  
Director

## **Govan Home Team C.I.C.**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

## **Govan Home Team C.I.C.**

### **Independent Auditor's Report to the Members of Govan Home Team C.I.C.**

#### **Opinion**

We have audited the financial statements of Govan Home Team C.I.C. (the 'company') for the period from 27 February 2017 to 31 March 2018, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, 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 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 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 period 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.

## **Govan Home Team C.I.C.**

### **Independent Auditor's Report to the Members of Govan Home Team C.I.C.**

#### **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.

#### **Opinion on other matter 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 Directors' Report for the financial period 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.

#### **Matters on which we are required to report by exception**

In the light of our 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.



## **Govan Home Team C.I.C.**

### **Independent Auditor's Report to the Members of Govan Home Team C.I.C.**

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.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 4], 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## **Govan Home Team C.I.C.**

### **Independent Auditor's Report to the Members of Govan Home Team C.I.C.**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Allison Devine (Senior Statutory Auditor)

For and on behalf of Alexander Sloan Accountants and Business Advisers, Statutory Auditor

180 St Vincent Street

Glasgow

G2 5SG

Date:.....

## Govan Home Team C.I.C.

### Profit and Loss Account for the Period from 27 February 2017 to 31 March 2018

	Note	Total 31 March 2018 £
Turnover	3	1,349,694
Cost of sales		<u>(1,024,041)</u>
Gross profit		325,653
Administrative expenses		(300,317)
Other operating income	4	<u>3,325</u>
Operating profit	5	<u>28,661</u>
Interest payable and similar expenses	6	<u>(4,011)</u>
		<u>(4,011)</u>
Profit before tax		<u>24,650</u>
Profit for the financial period		<u><u>24,650</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

The notes on pages 13 to 23 form an integral part of these financial statements.

**Govan Home Team C.I.C.**

**Statement of Comprehensive Income for the Period from 27 February 2017 to  
31 March 2018**

	<b>2018</b>
	<b>£</b>
Profit for the period	24,650
Total comprehensive income for the period	<u>24,650</u>

The notes on pages 13 to 23 form an integral part of these financial statements.

## Govan Home Team C.I.C.

(Registration number: SC558776)  
Balance Sheet as at 31 March 2018

	Note	2018 £
<b>Fixed assets</b>		
Tangible assets	9	399,474
<b>Current assets</b>		
Stocks	10	84,672
Debtors	11	67,188
Cash at bank and in hand		281,140
		<hr/>
		433,000
<b>Creditors:</b> Amounts falling due within one year	13	<hr/> (356,384)
<b>Net current assets</b>		<hr/> 76,616
<b>Total assets less current liabilities</b>		476,090
<b>Creditors:</b> Amounts falling due after more than one year	13	(275,000)
Deferred income		176,439
		<hr/>
<b>Net assets</b>		<hr/> 24,651
<b>Capital and reserves</b>		
Called up share capital	16	1
Profit and loss account		24,650
		<hr/>
Total equity		<hr/> 24,651

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

Approved and authorised by the Board on 30 August 2018 and signed on its behalf by:

.....

Gary Maguire

Director

The notes on pages 13 to 23 form an integral part of these financial statements.

**Govan Home Team C.I.C.**

**Statement of Changes in Equity for the Period from 27 February 2017 to 31 March 2018**

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Profit for the period	-	24,650	24,650
Total comprehensive income	-	24,650	24,650
New share capital subscribed	1	-	1
At 31 March 2018	1	24,650	24,651

The notes on pages 13 to 23 form an integral part of these financial statements.

## **Govan Home Team C.I.C.**

### **Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018**

#### **1 General information**

The company is a private company limited by share capital incorporated in Scotland .

The address of its registered office is:

246 Edmiston Drive

Glasgow

G51 2YU

These financial statements were authorised for issue by the Board on 30 August 2018.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The Board has reviewed the results for this year and has also reviewed the business plan for the next five years. The Board recognises that as with any new business there will be changes and developments as the business matures and developments. However, it has a reasonable expectation that the HOME Team has the adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements.

## **Govan Home Team C.I.C.**

### **Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018**

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	15 year straight line
Office equipment	4 year straight line

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.



## **Govan Home Team C.I.C.**

### **Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018**

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

## Govan Home Team C.I.C.

### Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Revenue

The analysis of the company's revenue for the period from continuing operations is as follows:

	<b>2018</b>
	<b>£</b>
Sale of goods and services	1,277,784
Grants received	71,429
Other revenue	481
	<hr/>
	1,349,694
	<hr/> <hr/>

#### 4 Other operating income

The analysis of the company's other operating income for the period is as follows:

	<b>2018</b>
	<b>£</b>
Sub lease rental income	3,325
	<hr/> <hr/>

## Govan Home Team C.I.C.

### Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018

#### 5 Operating profit

Arrived at after charging/(crediting)

	<b>2018</b>
	<b>£</b>
Depreciation expense	34,104
Operating lease expense - other	78,695
	<u>112,800</u>

#### 6 Interest payable and similar expenses

	<b>2018</b>
	<b>£</b>
Interest on bank overdrafts and borrowings	4,011
	<u>4,011</u>

#### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2018</b>
	<b>£</b>
Wages and salaries	638,547
Social security costs	47,957
Pension costs, defined contribution scheme	26,734
	<u>713,238</u>

Key management were provided by the parent Association's staff.

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

	<b>2018</b>
	<b>No.</b>
Maintenance and Production staff	40
Administration and support	6
	<u>46</u>

## Govan Home Team C.I.C.

### Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018

#### 8 Auditors' remuneration

	<b>2018</b>
	<b>£</b>
Audit of the financial statements	6,600

#### 9 Tangible assets

	<b>Leasehold Improvements</b>	<b>Office equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>			
Additions	371,450	62,128	433,578
At 31 March 2018	371,450	62,128	433,578
<b>Depreciation</b>			
Charge for the	18,572	15,532	34,104
At 31 March 2018	18,572	15,532	34,104
<b>Carrying amount</b>			
At 31 March 2018	352,878	46,596	399,474

**Govan Home Team C.I.C.**

**Notes to the Financial Statements for the Period from 27 February 2017 to 31  
March 2018**

**10 Stocks**

	<b>2018</b>
	<b>£</b>
Raw materials and other consumables	84,672

**11 Debtors**

	<b>2018</b>
	<b>£</b>
Other debtors	3,990
Prepayments	29,391
Accrued income	33,807
Total current trade and other debtors	67,188

## Govan Home Team C.I.C.

### Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018

#### 12 Cash and cash equivalents

	<b>2018</b>
	<b>£</b>
Cash on hand	100
Cash at bank	281,040
	<hr/>
	281,140
	<hr/> <hr/>

#### 13 Creditors

	<b>Note</b>	<b>2018</b>
		<b>£</b>
<b>Due within one year</b>		
Amounts due to related parties	19	349,784
Accrued expenses		6,600
		<hr/>
		356,384
		<hr/> <hr/>
<b>Due after one year</b>		
Loans from related parties	17	275,000
		<hr/> <hr/>

#### 14 Deferred income

	<b>Note</b>	<b>2018</b>
		<b>£</b>
<b>Deferred income</b>		
Deferred income received		185,725
Deferred income released		(9,286)
		<hr/>
		176,439
		<hr/> <hr/>

#### 15 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £26,735.

## Govan Home Team C.I.C.

### Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018

#### 16 Share capital

##### Allotted, called up and fully paid shares

	2018	
	No.	£
£1 Ordinary Shares of £1 each	1	1
<b>Shares in entity held by entity, subsidiaries, associates or joint ventures</b>		

On incorporation the company issued 1 ordinary share of £1 each for cash.

#### 17 Loans and borrowings

	2018
	£
<b>Non-current loans and borrowings</b>	
Loan from parent organisation	275,000

The loan from the parent Association attracts interest of 3.5% and is due for final repayment by 31 March 2022.

#### 18 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2018
	£
Not later than one year	48,000
Later than one year and not later than five years	144,000
Later than five years	480,000
	<u>672,000</u>

The lease of the company's premises at 246 Edminston Drive, Glasgow, is payable quarterly and the company's parent, Govan Housing Association, is currently acting as guarantor.

## **Govan Home Team C.I.C.**

### **Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018**

#### **19 Related party transactions**

##### **Summary of transactions with parent**

During the year, the parent Association was charged £1,293,347 (2017- £nil) for work undertaken by the company, including planned, reactive and cyclical maintenance. Included within this amount was £13,284 (2017-£nil) relating to grants which were claimed on behalf of the company.

The parent Association recharged operating costs met by the Association on behalf of Govan Home Team. These included leased motor vehicles, wages and salaries, materials and other overheads totalling £1,453,396 (2017 - £nil).

The parent Association recharged leasehold improvements totalling £371,450 in respect of costs which were met on behalf of Govan Home Team for the fit-out at Edminston Drive, £371,450 of which has been capitalised as Leasehold Improvements.

The parent Association made a 50% grant contribution towards the cost of the leasehold improvements. The grant will be amortised over 15 years.

The company has an outstanding loan with its parent totalling £275,000 of which interest is being charged at 3.5% per annum. Applicable interest for the period ended 31 March 2018 has been accrued (£4,010) through the inter-company creditor.

In addition to the loan balance, Govan Home Team C.I.C owed Govan Housing Association £349,784, represented by an inter-company creditor. This is shown within current liabilities (note 13).

The parent Association acts as a guarantor on the company's lease of 246 Edminston Drive, Glasgow.

#### **20 Parent and ultimate parent undertaking**

The company's immediate parent is Govan Housing Association, incorporated in Scotland.



## **Govan Home Team C.I.C.**

### **Notes to the Financial Statements for the Period from 27 February 2017 to 31 March 2018**

#### **21 Period of accounts**

The company was incorporated on 27 February 2017 and commenced trading on 1 May 2017. These financial statements cover the period from incorporation to 31 March 2018.

**Govan Home Team C.I.C.**

**The following pages do not form part of the statutory accounts**

This page does not form part of the statutory financial statements.

## Govan Home Team C.I.C.

### Detailed Profit and Loss Account for the Period from 27 February 2017 to 31 March 2018

	<b>27 February 2017 to 31 March 2018 £</b>
<b>Sales</b>	
Sale of goods	1,277,784
Other revenue	481
Grants received	71,429
Turnover	<u>1,349,694</u>
<b>Cost of Sales</b>	
Materials	335,569
Wages and salaries	500,551
Staff NIC (Employers)	38,992
Staff pensions (Defined contribution)	25,396
Staff training	6,493
Hire of plant and machinery	8,228
Lease of motor vehicles (Operating leases)	78,695
Insurance	18,915
Protective clothing	11,202
Cost of sales	<u>1,024,041</u>
Gross profit	<u>325,653</u>
Gross profit (%)	24.13%
<b>Administrative expenses</b>	
Employment costs	148,299
General administrative expenses	117,914
Depreciation costs	34,104
	<u>300,317</u>
<b>Other Income</b>	
Sub lease rental income	<u>3,325</u>
Operating profit	28,661
Interest payable and similar charges	<u>(4,011)</u>
Profit before tax	<u><u>24,650</u></u>

This page does not form part of the statutory financial statements.

## Govan Home Team C.I.C.

### Detailed Profit and Loss Account for the Period from 27 February 2017 to 31 March 2018

	2018 £
<b>Turnover</b>	
Sales, UK	1,277,784
Grants and subsidies	71,429
Other income	481
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	1,349,694
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<b>Cost of sales</b>	
Materials	335,569
Wages and salaries	500,551
Staff NIC (Employers)	38,992
Staff pensions (Defined contribution)	25,396
Staff training	6,493
Hire of plant and machinery	8,228
Lease of motor vehicles (Operating leases)	78,695
Insurance	18,915
Protective clothing	11,202
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	1,024,041
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<b>Employment costs</b>	
Wages and salaries	(137,996)
Staff NIC (Employers)	(8,965)
Staff pensions (Defined contribution)	(1,338)
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	(148,299)
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<b>General administrative expenses</b>	
Rent and rates	(62,846)
Light, heat and power	(7,958)
Repairs and renewals	(4,734)
Computer software and maintenance costs	(16,634)
Printing, postage and stationery	(4,355)
Trade subscriptions	(1,467)
Sundry expenses	(7,084)
Cleaning	(1,505)
Travel and subsistence	(40)

This page does not form part of the statutory financial statements.

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March 2018**

Advertising	(152)
Auditor's remuneration - The audit of the company's annual accounts	(6,600)
Consultancy fees	(4,430)
Management fees	1
Bank charges	(110)
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	(117,914)
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<b>Depreciation costs</b>	
Depreciation of long leasehold property	(18,572)
Depreciation of office equipment (owned)	(15,532)
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	(34,104)
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<b>Other operating income</b>	
Rent receivable	3,325
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<b>Interest payable and similar expenses</b>	
Bank interest payable	4,011
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