

Company Registration No. SC080962 (Scotland)

DENARIUS INVESTMENT COMPANY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2020
PAGES FOR FILING WITH REGISTRAR

DENARIUS INVESTMENT COMPANY LIMITED

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DENARIUS INVESTMENT COMPANY LIMITED

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF DENARIUS INVESTMENT COMPANY LIMITED

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Denarius Investment Company Limited for the year ended 28 February 2020 set out on pages 2 to 8 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the ICAS we are subject to its ethical and other professional requirements which are detailed at

<https://www.icas.com/professional-resources/practice/support-and-guidance/framework-for-the-preparation-of-accounts-revised-january->

This report is made solely to the Board of Directors of Denarius Investment Company Limited, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Denarius Investment Company Limited and state those matters that we have agreed to state to the Board of Directors of Denarius Investment Company Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at

<https://www.icas.com/professional-resources/practice/support-and-guidance/framework-for-the-preparation-of-accounts-revised-january->

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Denarius Investment Company Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Denarius Investment Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Denarius Investment Company Limited. You consider that Denarius Investment Company Limited is exempt from the statutory audit requirement for the year.

Finlaysons

Chartered Accountants

11 September 2020

4 Albert Place
PERTH
PH2 8JE

DENARIUS INVESTMENT COMPANY LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	2		380		946
Investment properties	3		1,085,000		1,070,000
			<u>1,085,380</u>		<u>1,070,946</u>
Current assets					
Debtors	4	484,519		442,012	
Cash at bank and in hand		207,214		145,614	
		<u>691,733</u>		<u>587,626</u>	
Creditors: amounts falling due within one year	5	(123,619)		(67,260)	
Net current assets			<u>568,114</u>		<u>520,366</u>
Total assets less current liabilities			<u>1,653,494</u>		<u>1,591,312</u>
Provisions for liabilities			<u>(25,392)</u>		<u>(22,649)</u>
Net assets			<u><u>1,628,102</u></u>		<u><u>1,568,663</u></u>
Capital and reserves					
Called up share capital			84,000		84,000
Share premium account			48,750		48,750
Revaluation reserve			506,686		494,536
Capital redemption reserve			15,000		15,000
Profit and loss reserves			973,666		926,377
Total equity			<u><u>1,628,102</u></u>		<u><u>1,568,663</u></u>

DENARIUS INVESTMENT COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 28 FEBRUARY 2020

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 28 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 11 September 2020 and are signed on its behalf by:

Kenneth Simpson MBE, TD.

Director

Company Registration No. SC080962

DENARIUS INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2020

1 Accounting policies

Company information

Denarius Investment Company Limited is a private company limited by shares incorporated in Scotland. The registered office is 4 Kinnoull Street, PERTH, PH1 5EN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for rental income and service charges.

Revenue from the rental of properties is recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% per annum straight line
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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.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). 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.

DENARIUS INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2020

1 Accounting policies

(Continued)

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention 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 initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

DENARIUS INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Tangible fixed assets

Plant and machinery etc

£

Cost

At 1 March 2019	22,148
Disposals	(8,400)

At 28 February 2020	13,748
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Depreciation and impairment

At 1 March 2019	21,202
Depreciation charged in the year	566
Eliminated in respect of disposals	(8,400)

At 28 February 2020	13,368
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Carrying amount

At 28 February 2020	380
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At 28 February 2019	946
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DENARIUS INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2020

3 Investment property

	2020 £
Fair value	
At 1 March 2019	1,070,000
Revaluations	15,000
	<u>1,085,000</u>
At 28 February 2020	<u>1,085,000</u>

The fair value of the investment property has been arrived at on the basis of a valuation carried out by Mr Kenneth Simpson, a director of Denarius Investment Company Limited. Mr Simpson is of the opinion that the carrying value of the investment properties represents open market value.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2020 £	2019 £
Cost	552,994	552,994
Accumulated depreciation	-	-
	<u>552,994</u>	<u>552,994</u>
Carrying amount	<u>552,994</u>	<u>552,994</u>

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	10,221	1,585
Other debtors	474,298	440,427
	<u>484,519</u>	<u>442,012</u>

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	11,464	9,458
Corporation tax	11,200	14,415
Other creditors	100,955	43,387
	<u>123,619</u>	<u>67,260</u>

DENARIUS INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2020

6 Related party transactions

Transactions with related parties

During the year, Blazon Investments Limited, a company in which Kenneth Simpson is a director and shareholder, paid costs of £546 (2019 £335) on behalf of the company. The company repaid a balance of £0 (2019 £335) to Blazon Investments Limited. At the year end £269,632 (2019 £270,178) was due to the company.

During the year, the company paid £19,652 (2019 £10,769) of expenses on behalf of Denarius Investment Company Limited RBS, a pension scheme in which Kenneth Simpson and Margaret Simpson are trustees and beneficiaries. The company received monies of £0 (2019 £10,867) from Denarius Investment Company Limited RBS. At the year end Denarius Investment Company Limited RBS owed the company £19,652 (2019 £0).

During the year, the company paid £198 (2019 £190) of expenses on behalf of Picardie Limited, a company in which Kenneth Simpson and Margaret Simpson are directors and shareholders. The company received monies amounting to £366 (2019 £0) on behalf of Picardie Limited. The company received monies of £0 (2019 £190) from Picardie Limited. At the year end £169 (2019 £0) was due to Picardie Limited.

7 Directors' transactions

Advances or credits have been granted to the company by its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
	-	36,481	58,731	(1,192)	94,020
		<u>36,481</u>	<u>58,731</u>	<u>(1,192)</u>	<u>94,020</u>

Directors loan is included within Other Creditors and is repayable on demand.

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.