COMPANY REGISTRATION NUMBER: SC142011

Granite Edge Limited

Unaudited Financial Statements

31 May 2017

Granite Edge Limited

Financial Statements

Year ended 31 May 2017

Contents	Page
Director's report	1
Report to the director on the preparation of the unaudited statutory financial statements	2
Statement of income and retained earnings	3
Statement of financial position	4
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed income statement	11
Notes to the detailed income statement	12

Granite Edge Limited

Director's Report

Year ended 31 May 2017

The director presents his report and the unaudited financial statements of the company for the year ended 31 May 2017 .

Director

The director who served the company during the year was as follows:

Mr P Lowrie

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 26 February 2018 and signed on behalf of the board by:

Mr P Lowrie

Director

Registered office:

2 Dean Path

Edinburgh

EH4 3BA

Granite Edge Limited

Report to the Director on the Preparation of the Unaudited Statutory Financial Statements of Granite Edge Limited

Year ended 31 May 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Granite Edge Limited for the year ended 31 May 2017, which comprise the statement of income and retained earnings, statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance. This report is made solely to the director of Granite Edge Limited in accordance with the terms of our engagement letter dated 22 November 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Granite Edge Limited and state those matters that we have agreed to state to you in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Granite Edge Limited and its director for our work or for this report.

It is your duty to ensure that Granite Edge 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 Granite Edge Limited. You consider that Granite Edge Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Granite Edge Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

GILLILAND & COMPANY Chartered accountant
216 West George Street Glasgow G2 2PQ
26 February 2018

Granite Edge Limited

Statement of Income and Retained Earnings

Year ended 31 May 2017

	Note	2017	2016
		£	£
Administrative expenses		**13,458**	21,785
Other operating income		**18,816**	163,931
Operating profit		**5,358**	142,146
Profit before taxation	**4**	**5,358**	142,146
Tax on profit		**1,510**	1,257
Profit for the financial year and total comprehensive income		**3,848**	140,889
Retained earnings at the start of the year		**445,889**	305,000
Retained earnings at the end of the year		**449,737**	445,889

All the activities of the company are from continuing operations.

Granite Edge Limited

Statement of Financial Position

31 May 2017

	Note	2017 £	£	2016 £
Fixed assets				
Tangible assets	**5**		**412,485**	410,361
Investments	**6**		**404,751**	404,751
			817,236	815,112
Current assets				
Debtors	**7**	**15,870**		537
Cash at bank and in hand		**56,806**		191,147
		72,676		191,684
Creditors: amounts falling due within one year	**8**	**257,515**		378,247
Net current liabilities			**184,839**	186,563
Total assets less current liabilities			**632,397**	628,549
Net assets			**632,397**	628,549

Granite Edge Limited

Statement of Financial Position *(continued)*

31 May 2017

	Note	2017 £	£	2016 £
Capital and reserves				
Called up share capital			**100,000**	100,000
Share premium account			**147,357**	147,357
Non distributable reserves			**(64,697)**	(64,697)
Profit and loss account			**449,737**	445,889
Shareholders funds			**632,397**	628,549

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- 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 ;

- The director acknowledges his responsibilities for complying with the requirements of the Act 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 26 February 2018 , and are signed on behalf of the board by:

Mr P Lowrie

Director

Company registration number: SC142011

Granite Edge Limited

Notes to the Financial Statements

Year ended 31 May 2017

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 2 Dean Path, Edinburgh, EH4 3BA.

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.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 June 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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:

Freehold property	-	2% straight line
Equipment	-	20% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

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.

4. Profit before taxation

Profit before taxation is stated after charging:

	2017	2016
	£	£
Depreciation of tangible assets	**2,255**	2,183

5. Tangible assets

	Land and buildings	Equipment	**Total**
	£	£	**£**
Cost			
At 1 June 2016	412,169	2,615	**414,784**
Additions	4,379	–	**4,379**
At 31 May 2017	416,548	2,615	**419,163**
Depreciation			
At 1 June 2016	2,108	2,315	**4,423**
Charge for the year	2,195	60	**2,255**
At 31 May 2017	4,303	2,375	**6,678**
Carrying amount			
At 31 May 2017	412,245	240	**412,485**
At 31 May 2016	410,061	300	410,361

Tangible assets held at valuation

In accordance with provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', investment properties are revalued annually on this basis, any surplus or deficit being transferred to revaluation reserve. Accordingly, such assets are not depreciated as this would conflict in the Directors' opinion, with the requirement to give a true and fair view (see note 1(b)). It is not possible to quantify the depreciation which would otherwise have been charged. Had the company's investment properties not been revalued they would be stated at cost and net book value of £345,755 (2016:£345,755).

6. Investments

	Other investments other than loans £
Cost	
At 1 June 2016 and 31 May 2017	**404,751**
Impairment	
At 1 June 2016 and 31 May 2017	**–**
Carrying amount	
At 31 May 2017	**404,751**
At 31 May 2016	404,751

7. Debtors

	2017	2016
	£	£
Trade debtors	**12,271**	–
Other debtors	**3,599**	537
	15,870	537

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Corporation tax	**1,509**	1,257
Social security and other taxes	**–**	359
Other creditors	**256,006**	376,631
	257,515	378,247

9. Director's advances, credits and guarantees

The company is a wholly owned subsidiary of Big Bull Limited. Mr Peter Lowrie is the ultimate controlling party of Beechcrest Properties Limited by virtue of his controlling interest in Big Bull Limited. At the year end the company owed Mr Lowrie £254,756. (2016: £374,756).

10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 June 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Granite Edge Limited

Management Information

Year ended 31 May 2017

The following pages do not form part of the financial statements.

Granite Edge Limited

Detailed Income Statement

Year ended 31 May 2017

	2017	2016
	£	£
Overheads		
Administrative expenses	**13,458**	21,785
Other operating income	**18,816**	163,931
Operating profit	**5,358**	142,146
Profit before taxation	**5,358**	142,146

Granite Edge Limited

Notes to the Detailed Income Statement

Year ended 31 May 2017

	2017	2016
	£	£
Administrative expenses		
Light and heat	**212**	–
Insurance	**943**	426
Repairs and maintenance	**2,020**	1,921
Sundry expenses	**23**	26
Advertising	**150**	–
Legal and professional fees	**4,122**	13,016
Accountancy fees	**3,625**	4,075
Depreciation of tangible assets	**2,255**	2,183
Bank charges	**108**	138
	13,458	21,785
Other operating income		
Operating lease rental income	**14,771**	10,494
Other operating income - investment income	**4,045**	153,437
	18,816	163,931

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.