Company No: SC190838 (Scotland)

LOCH NESS HOMES LTD.
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 JANUARY 2020 TO 30 JUNE 2021
PAGES FOR FILING WITH THE REGISTRAR

LOCH NESS HOMES LTD.
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 JANUARY 2020 TO 30 JUNE 2021

Contents

Balance Sheet 3
Notes to the Unaudited Financial Statements 4

LOCH NESS HOMES LTD.
BALANCE SHEET
AS AT 30 JUNE 2021

	Note	30.06.2021	31.12.2019
		£	£
Current assets			
Stocks	3	1,192,566	1,310,702
Debtors	4	167,772	1,809
Cash at bank and in hand	5	147,636	89,968
		1,507,974	**1,402,479**
Creditors			
Amounts falling due within one year	6	(1,394,923)	(1,305,507)
Net current assets		**113,051**	**96,972**
Total assets less current liabilities		**113,051**	**96,972**
Creditors			
Amounts falling due after more than one year	7	(768,846)	(432,624)
Net liabilities		**(655,795)**	**(335,652)**
Capital and reserves			
Called-up share capital	8	10	2
Profit and loss account		(655,805)	(335,654)
Total shareholder's deficit		**(655,795)**	**(335,652)**

For the financial period ending 30 June 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial period in accordance with section 476;
- The director acknowledges 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 in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Loch Ness Homes Ltd. (registered number: SC190838) were approved and authorised for issue by the Director on 10 March 2022. They were signed on its behalf by:

David Fraser Sutherland
Director

1. Accounting policies

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

General information and basis of accounting

Loch Ness Homes Ltd. (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 Oldtown Of Leys House, Culduthel, Inverness, IV2 6AE, Scotland, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include 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 company has recorded a loss in the financial period and has net liabilities of £655,795 at the year end. For the company to continue as a going concern, this is dependent on the future financial support of its director. The director is confident that funds will be made available to allow the company to meet its liabilities as they fall due and that amounts owed to the director and entities in which the director has a participating interest of £1,329,251 at 30 June 2021, will not be recalled within 12 months from the date of approval of these financial statements. As a result, the director continues to adopt the going concern basis in preparation of the financial statements and has considered a period of 12 months from the date of approval of these financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the customer.

Revenue from the sale of land is recognised when the significant risks and rewards of ownership of the land have passed to the buyer, the amount of revenue can be measured reliably, it is probably 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 reliably measured.

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 Profit and Loss Account as described below.

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. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

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, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

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 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.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

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.

2. Employees

	Period from 01.01.2020 to 30.06.2021	Year ended 31.12.2019
	Number	Number
Monthly average number of persons employed by the Company during the period, including the director	2	2

3. Stocks

	30.06.2021	31.12.2019
	£	£
Work in progress	1,192,566	1,310,702

4. Debtors

	30.06.2021	31.12.2019
	£	£
Trade debtors	166,534	750
Other debtors	1,238	1,059
	167,772	**1,809**

5. Cash and cash equivalents

	30.06.2021	31.12.2019
	£	£
Cash at bank and in hand	147,636	89,968

6. Creditors: amounts falling due within one year

	30.06.2021	31.12.2019
	£	£
Trade creditors	55,767	877
Amounts owed to related parties	1,064,634	680,258
Other creditors	267,732	624,372
Other taxation and social security	6,790	0
	1,394,923	**1,305,507**

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

	30.06.2021	31.12.2019
	£	£
Other creditors	768,846	432,624

There are no amounts included above in respect of which any security has been given by the small entity.

8. Called-up share capital

	30.06.2021	31.12.2019
	£	£
Allotted, called-up and fully-paid		
10 Ordinary Shares shares of £ 1.00 each (31.12.2019: 2 shares of £ 1.00 each)	10	2

9. Related party transactions

Transactions with owners holding a participating interest in the entity

	30.06.2021	31.12.2019
	£	£
Key management personnel	264,617	619,855

Transactions with entities in which the entity itself has a participating interest

	30.06.2021	31.12.2019
	£	£
Entities with control, joint control or significant influence over the company	1,064,800	680,258

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.