

**LOCH NESS HOMES LTD.
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023
PAGES FOR FILING WITH THE REGISTRAR**

LOCH NESS HOMES LTD.
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

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LOCH NESS HOMES LTD.
BALANCE SHEET
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
Current assets			
Stocks	3	0	1,258,991
Debtors	4	1,057,092	248,501
Cash at bank and in hand		123,988	138,046
		1,181,080	1,645,538
Creditors: amounts falling due within one year	5	(1,608,860)	(1,683,336)
Net current liabilities		(427,780)	(37,798)
Total assets less current liabilities		(427,780)	(37,798)
Creditors: amounts falling due after more than one year	6	(768,846)	(768,846)
Provision for liabilities		0	(319,617)
Net liabilities		(1,196,626)	(1,126,261)
Capital and reserves			
Called-up share capital	7	10	10
Profit and loss account		(1,196,636)	(1,126,271)
Total shareholder's deficit		(1,196,626)	(1,126,261)

For the financial year ending 30 June 2023 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- 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; and
- These financial statements have been prepared and delivered 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 27 February 2024. They were signed on its behalf by:

David Sutherland
Director

LOCH NESS HOMES LTD.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year 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

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 £1,605,230 at 30 June 2023, 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 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 reliably measured.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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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 deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

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.

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Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. Employees

	2023	2022
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	2	2

3. Stocks

	2023	2022
	£	£
Work in progress	0	1,258,991

4. Debtors

	2023	2022
	£	£
Trade debtors	1,054,271	0
Other debtors	2,821	248,501
	1,057,092	248,501

5. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	0	44,743
Amounts owed to Parent undertakings	8,000	8,000
Amounts owed to related parties	1,272,613	1,204,110
Other creditors	328,247	426,483
	1,608,860	1,683,336

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

	2023	2022
	£	£
Other creditors	768,846	768,846

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

7. Called-up share capital

	2023	2022
	£	£
Allotted, called-up and fully-paid		
10 Ordinary Shares shares of £ 1.00 each	10	10

8. Related party transactions

Transactions with owners holding a participating interest in the entity

	2023	2022
	£	£
Amounts due to parent company	8,000	8,000

Transactions with the entity's directors

	2023	2022
	£	£
Key management personnel	684,541	679,541

Other related party transactions

	2023	2022
	£	£
Other related parties	1,681,492	1,613,033

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9. Ultimate controlling party

Parent Company:

Argyll & Inverness Ltd
Oldtown of Leys House
Culduthel
Inverness
IV2 6AE
Scotland
United Kingdom

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.