

Argyll Properties Scotland Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2017

Jack MacDonald & Co
Chartered Accountant
Cuan Aille
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Argyll Properties Scotland Limited

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Argyll Properties Scotland Limited

Company Information

Directors Mr Allan MacLean
Mr Calum Maclachlainn

Company secretary Mr Derwyn Hewitt

Registered office 8A Baliscate Ind Est
Tobermory
Isle of Mull
Argyll
PA75 6QA

Accountants Jack MacDonald & Co
Chartered Accountant
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Argyll Properties Scotland Limited

Directors' Report for the Year Ended 31 July 2017

The directors present their report and the financial statements for the year ended 31 July 2017.

Directors of the company

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

Mr Allan MacLean

Mr Calum Maclachlainn

Principal activity

The principal activity of the company is letting of property & management consultancy

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 16 October 2017 and signed on its behalf by:

.....
Mr Calum Maclachlainn
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Argyll Properties Scotland Limited
for the Year Ended 31 July 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Argyll Properties Scotland Limited for the year ended 31 July 2017 as set out on pages 4 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icacw.com/cn/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Argyll Properties Scotland Limited, as a body, in accordance with the terms of our engagement letter dated 1 January 2000. Our work has been undertaken solely to prepare for your approval the accounts of Argyll Properties Scotland Limited and state those matters that we have agreed to state to the Board of Directors of Argyll Properties Scotland Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Argyll Properties Scotland Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Argyll Properties Scotland Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Argyll Properties Scotland Limited. You consider that Argyll Properties Scotland 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 accounts of Argyll Properties Scotland 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 accounts.

.....
Jack MacDonald & Co
Chartered Accountant
Cuan Aille
1 Aldersyde
Taynuilt
Argyll
PA35 1AG

16 October 2017

Argyll Properties Scotland Limited

Profit and Loss Account for the Year Ended 31 July 2017

	Note	Total 31 July 2017 £	Total 31 July 2016 £
Turnover		118,542	108,776
Cost of sales		<u>(9,351)</u>	<u>(13,782)</u>
Gross profit		109,191	94,994
Administrative expenses		<u>(74,686)</u>	<u>(49,055)</u>
Operating profit		<u>34,505</u>	<u>45,939</u>
Interest payable and similar expenses		<u>(11,093)</u>	<u>(14,298)</u>
		<u>(11,093)</u>	<u>(14,298)</u>
Profit before tax	2	23,412	31,641
Taxation		<u>(4,558)</u>	<u>(3,697)</u>
Profit for the financial year		<u><u>18,854</u></u>	<u><u>27,944</u></u>

The above results were derived from continuing operations.

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

The notes on pages 8 to 11 form an integral part of these financial statements.

Argyll Properties Scotland Limited

Statement of Comprehensive Income for the Year Ended 31 July 2017

	Note	2017 £	2016 £
Profit for the year		<u>18,854</u>	<u>27,944</u>
Total comprehensive income for the year		<u><u>18,854</u></u>	<u><u>27,944</u></u>

The notes on pages 8 to 11 form an integral part of these financial statements.

Argyll Properties Scotland Limited

(Registration number: SC209521)

Balance Sheet as at 31 July 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>3</u>	600,366	601,397
Current assets			
Stocks	<u>4</u>	30,588	30,588
Debtors	<u>5</u>	276,119	231,853
Cash at bank and in hand		<u>10,280</u>	<u>11,098</u>
		316,987	273,539
Creditors: Amounts falling due within one year	<u>6</u>	<u>(105,542)</u>	<u>(45,778)</u>
Net current assets		<u>211,445</u>	<u>227,761</u>
Total assets less current liabilities		811,811	829,158
Creditors: Amounts falling due after more than one year	<u>6</u>	<u>(313,742)</u>	<u>(349,943)</u>
Net assets		<u>498,069</u>	<u>479,215</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>498,067</u>	<u>479,213</u>
Total equity		<u>498,069</u>	<u>479,215</u>

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

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved and authorised by the Board on 16 October 2017 and signed on its behalf by:

.....

Mr Calum MacIachlainn

Director

The notes on pages 8 to 11 form an integral part of these financial statements.

Argyll Properties Scotland Limited

Statement of Changes in Equity for the Year Ended 31 July 2017

	Share capital £	Profit and loss account £	Total £
At 1 August 2016	2	479,213	479,215
Profit for the year	-	18,854	18,854
Total comprehensive income	-	18,854	18,854
At 31 July 2017	2	498,067	498,069

	Share capital £	Profit and loss account £	Total £
At 1 August 2015	2	491,269	491,271
Profit for the year	-	27,944	27,944
Total comprehensive income	-	27,944	27,944
Dividends	-	(40,000)	(40,000)
At 31 July 2016	2	479,213	479,215

The notes on pages 8 to 11 form an integral part of these financial statements.

Argyll Properties Scotland Limited

Notes to the Financial Statements for the Year Ended 31 July 2017

1 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.

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.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

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, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & machinery	25% reducing balance

Investments

Investment properties are stated at cost less depreciation. The fair value of these properties are disclosed in the notes to the financial statements

Argyll Properties Scotland Limited

Notes to the Financial Statements for the Year Ended 31 July 2017

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.

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.

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.

Argyll Properties Scotland Limited

Notes to the Financial Statements for the Year Ended 31 July 2017

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

2 Profit before tax

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	1,031	3,220

3 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 August 2016	597,273	30,000	2,894	630,167
At 31 July 2017	597,273	30,000	2,894	630,167
Depreciation				
At 1 August 2016	-	26,044	2,726	28,770
Charge for the year	-	989	42	1,031
At 31 July 2017	-	27,033	2,768	29,801
Carrying amount				
At 31 July 2017	597,273	2,967	126	600,366
At 31 July 2016	597,273	3,956	168	601,397

Included within the net book value of land and buildings above is £597,273 (2016 - £597,273) in respect of freehold land and buildings.

Revaluation

The fair value of the company's Freehold land and buildings was revalued on 31 July 2017. An independent valuer was not involved.

Freehold land and buildings are composed entirely of investment properties and are stated at cost less depreciation. These were valued by Mr Calum MacIachlainn (director) who is internal to the company. The basis of the valuation was estimated market value which was estimated to be £1,085,000 (2016 - £1,085,000)..

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £597,273 (2016 - £597,273).

4 Stocks

Work in progress

2017	2016
£	£
30,588	30,588

Argyll Properties Scotland Limited

Notes to the Financial Statements for the Year Ended 31 July 2017

5 Debtors

	2017 £	2016 £
Trade debtors	9,380	9,606
Other debtors	266,739	222,247
Total current trade and other debtors	276,119	231,853

6 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		19,780	10,027
Taxation and social security		4,848	3,434
Other creditors		80,914	32,317
		105,542	45,778
Due after one year			
Loans and borrowings	7	313,742	349,943

7 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	313,742	349,943

8 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £0 (2016 - £20,000) per each Ordinary share	-	40,000

Argyll Properties Scotland Limited

Detailed Profit and Loss Account for the Year Ended 31 July 2017

	2017 £	2016 £
Turnover (analysed below)	118,542	108,776
Cost of sales (analysed below)	<u>(9,351)</u>	<u>(13,782)</u>
Gross profit	<u>109,191</u>	<u>94,994</u>
Gross profit (%)		
Administrative expenses		
Establishment costs (analysed below)	(2,180)	(4,400)
General administrative expenses (analysed below)	(71,264)	(56,193)
Finance charges (analysed below)	(211)	(242)
Depreciation costs (analysed below)	(1,031)	(3,220)
Other expenses (analysed below)	<u>-</u>	<u>15,000</u>
	<u>(74,686)</u>	<u>(49,055)</u>
Operating profit	34,505	45,939
Interest payable and similar charges (analysed below)	<u>(11,093)</u>	<u>(14,298)</u>
Profit before tax	<u><u>23,412</u></u>	<u><u>31,641</u></u>

This page does not form part of the statutory financial statements.
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Argyll Properties Scotland Limited

Detailed Profit and Loss Account for the Year Ended 31 July 2017

	2017 £	2016 £
Turnover		
Rental income	87,044	82,843
Management services	31,498	25,933
	<u>118,542</u>	<u>108,776</u>
Cost of sales		
Purchases	8,325	12,582
Direct costs	1,026	1,200
	<u>9,351</u>	<u>13,782</u>
Establishment costs		
Rates	-	(420)
Light, heat and power	(303)	(315)
Insurance	(1,877)	(3,665)
	<u>(2,180)</u>	<u>(4,400)</u>
General administrative expenses		
Repairs and maintenance	(2,230)	(2,071)
Telephone and fax	(2,060)	(1,674)
Printing, postage and stationery	(405)	(745)
Sundry expenses	(226)	687
Management charges payable	(4,195)	(4,283)
Motor expenses	(803)	(272)
Travel and subsistence	(9,433)	(9,313)
Accountancy fees	(2,148)	(1,763)
Legal and professional fees	(49,764)	(36,759)
	<u>(71,264)</u>	<u>(56,193)</u>
Finance charges		
Bank charges	<u>(211)</u>	<u>(242)</u>
Depreciation costs		
Depreciation of plant and machinery (owned)	<u>(1,031)</u>	<u>(3,220)</u>
Interest payable and similar expenses		

Bank loan interest payable

11,093

14,298

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

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