

DGC Developments Limited

Directors' Report and Unaudited

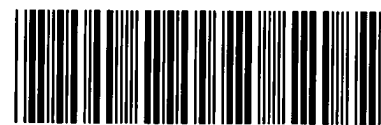
Financial Statements

Year Ended

31 December 2016

Company Number SC336513

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DGC Developments Limited

Company Information

Directors

Gary Caulfield
David Caulfield

Company secretary

David Caulfield

Registered number

SC336513

Registered office

Brandleside Lodge
Dunlop
Kilmarnock
KA3 4BJ

Accountants

BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

DGC Developments Limited

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DGC Developments Limited

Chartered accountants' report to the board of directors on the preparation of the Unaudited financial statements of DGC Developments Limited for the year ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of DGC Developments Limited for the year ended 31 December 2016 which comprise the balance sheet 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 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.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of DGC Developments Limited, as a body, in accordance with the terms of our engagement letter dated 27 September 2017. Our work has been undertaken solely to prepare for your approval the financial statements of DGC Developments Limited and state those matters that we have agreed to state to the board of directors of DGC Developments Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DGC Developments Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that DGC Developments 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 loss of DGC Developments Limited. You consider that DGC Developments 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 DGC Developments 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.

BDO LLP

BDO LLP
Chartered Accountants
Glasgow
United Kingdom

29 SEPTEMBER 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

DGC Developments Limited

Registered number: SC336513

Balance Sheet As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Investment property		484,000	484,000
		<u>484,000</u>	<u>484,000</u>
Creditors: amounts falling due within one year	6	(467,224)	(467,089)
Net current liabilities		<u>(467,224)</u>	<u>(467,089)</u>
Total assets less current liabilities		<u>16,776</u>	<u>16,911</u>
Net assets		<u>16,776</u>	<u>16,911</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		16,775	16,910
		<u>16,776</u>	<u>16,911</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

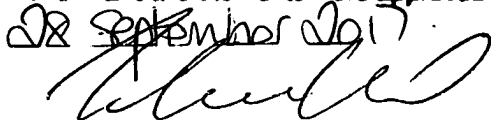
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

28 September 2017


David Caulfield

Director

The notes on pages 4 to 7 form part of these financial statements.

DGC Developments Limited

Statement of Changes in Equity For the Year Ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1	16,910	16,911
Comprehensive income for the year			
Loss for the year	-	(135)	(135)
Total comprehensive income for the year	-	(135)	(135)
At 31 December 2016	1	16,775	16,776

DGC Developments Limited

Statement of Changes in Equity For the Year Ended 31 December 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	1	18,004	18,005
Comprehensive income for the year			
Loss for the year	-	(1,094)	(1,094)
Total comprehensive income for the year	-	(1,094)	(1,094)
At 31 December 2015	1	16,910	16,911

The notes on pages 4 to 7 form part of these financial statements.

DGC Developments Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

1. General information

DGC Developments Limited is a company incorporated in the United Kingdom under the Companies Act. The address and registered office is given on the company information page and the nature of the company's principal activities is set out in the directors' report. The financial statements have been prepared on a going concern basis in accordance with FRS 102 Section 1A - Small Entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

This is the first period where the company has applied FRS 102. The date of transition to FRS 102 was 1 January 2015.

The impact of first-time adoption of FRS 102 is given in note 13.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is derived from rental income. Income is recognised as rentals become due for payment, based on occupation of properties.

2.3 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.4 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

DGC Developments Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Investment properties are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future value of the property.
- Bad debts are provided for where objective evidence of the need for a provision exists.

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2015 - 2).

5. Investment property

	Freehold investment property £
Valuation	
At 1 January 2016	484,000
At 31 December 2016	484,000

The company's investment properties were revalued by the directors as at 31 December 2013, based on open market value. The directors are of the opinion these valuations reflect the open market value at 31 December 2016.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2016 £	2015 £
Historic cost	495,056	495,056
	495,056	495,056

DGC Developments Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

6. Creditors: Amounts falling due within one year

	2016 £	2015 £
Other creditors	466,024	465,889
Accruals and deferred income	1,200	1,200
	<u>467,224</u>	<u>467,089</u>

7. Financial instruments

	2016 £	2015 £
Financial liabilities		
Financial liabilities measured at amortised cost	466,024	465,889
	<u>466,024</u>	<u>465,889</u>

Financial liabilities measured at amortised cost comprise other creditors.

8. Related party transactions

The directors, David and Gary Caulfield, are owed £466,024 (2015 - £465,889) by the company at the year end. The loan is unsecured with no terms for repayment. No interest was charged on the outstanding loan balance.

9. Controlling party

The company is controlled by the directors through their joint ownership of the holding company, Glenlora Holdings Limited.

The company is a 100% owned subsidiary of Glenlora Holdings Limited which is the ultimate parent company incorporated in the United Kingdom.

DGC Developments Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

10. First time adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 January 2015

	Note	£
Equity at 1 January 2015 under previous UK GAAP		18,005
Equity shareholders funds at 1 January 2015 under FRS 102		18,005

Reconciliation of equity at 31 December 2015

	Note	£
Equity at 31 December 2015 under previous UK GAAP		16,911
Equity shareholders funds at 31 December 2015 under FRS 102		16,911

Reconciliation of profit and loss account for the year ended 31 December 2015

	£
Profit for the year under previous UK GAAP	(1,094)
Loss for the year ended 31 December 2015 under FRS 102	(1,094)

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Reallocation of Revaluation reserve - Under FRS 102 the revaluation reserve on revaluation of properties is no longer recognised. As a result the Revaluation reserve at 31 December 2014 of £11,056 was transferred to the Profit and Loss Reserve at date of transition of 1 January 2015. This adjustment had no change on the total equity of the company at 1 January 2015.