

**AC COMMERCIAL
(SCOTLAND) LTD**

**UNAUDITED
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2018**

AC COMMERCIAL (SCOTLAND) LTD

COMPANY INFORMATION

Directors	H J Aberdein I W D Considine J Law M W Sinclair
Company secretary	Aberdein Considine & Co
Registered number	SC375511
Registered office	7-9 Bon Accord Crescent Aberdeen AB11 6DN

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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AC COMMERCIAL (SCOTLAND) LTD**REGISTERED NUMBER: SC375511****BALANCE SHEET
AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
Fixed assets			
Investment property	3	1,750,000	1,892,499
		<u>1,750,000</u>	<u>1,892,499</u>
Current assets			
Debtors	4	348,357	370,794
Cash at bank and in hand	5	104,530	48,948
		<u>452,887</u>	<u>419,742</u>
Creditors: amounts falling due within one year	6	(336,473)	(298,708)
		<u>116,414</u>	<u>121,034</u>
Net current assets			
		<u>116,414</u>	<u>121,034</u>
Total assets less current liabilities		<u>1,866,414</u>	<u>2,013,533</u>
Creditors: amounts falling due after more than one year	7	(1,254,408)	(1,364,051)
Provisions for liabilities			
Deferred tax		(10,711)	(9,104)
		<u>(10,711)</u>	<u>(9,104)</u>
Net assets		<u><u>601,295</u></u>	<u><u>640,378</u></u>
Capital and reserves			
Called up share capital		9,475	9,475
Share premium account		14,200	14,200
Capital redemption reserve		775	775
Profit and loss account		576,845	615,928
		<u>601,295</u>	<u>640,378</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.

AC COMMERCIAL (SCOTLAND) LTD

REGISTERED NUMBER: SC375511

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018**

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 by:

J Law
Director

Date: 20 December 2018

The notes on pages 4 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. General information

AC Commercial (Scotland) Ltd is a limited company incorporated in Scotland. The Registered Office is 7-9 Bon Accord Crescent, Aberdeen, AB11 6DN.

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 following principal accounting policies have been applied:

2.2 Going concern

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements .

2.3 Revenue

Revenue relates to rental income received in the period. Rental income is recognised when received, any rental that falls outwith the period end is deferred as appropriate.

2.4 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Investment property

Investment property is carried at fair value determined annually by the directors. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

3. Investment property

	Freehold investment property £
Valuation	
At 1 April 2017	1,892,499
Deficit on revaluation	(142,499)
At 31 March 2018	<u>1,750,000</u>

The investment properties are initially included at acquisition cost and are revalued to reflect changes in the market value. An independent valuation was carried out on 7 March 2018. The directors consider that the current valuation represents a fair market value at 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

4. Debtors

	2018 £	2017 £
Due after more than one year		
Loan to related entity	318,171	338,728
	<u>318,171</u>	<u>338,728</u>
Due within one year		
Loan to related entities	27,410	27,411
Prepayments	2,776	4,655
	<u>348,357</u>	<u>370,794</u>

5. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	104,530	48,948
	<u>104,530</u>	<u>48,948</u>

6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	109,643	109,643
Amounts owed to related entity	7,306	7,306
Corporation tax	22,411	18,522
Other creditors	191,896	159,396
Accruals	5,217	3,841
	<u>336,473</u>	<u>298,708</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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

	2018 £	2017 £
Bank loans	1,254,408	1,364,051
	<u>1,254,408</u>	<u>1,364,051</u>

Secured loans

The bank loan is secured on the following terms:

- 1) A Standard Security over the investment properties.
- 2) A Bond and Floating Charge over the company's assets and undertakings.

8. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	109,643	109,643
	<u>109,643</u>	<u>109,643</u>
Amounts falling due 1-2 years		
Bank loans	109,643	109,643
	<u>109,643</u>	<u>109,643</u>
Amounts falling due 2-5 years		
Bank loans	328,927	328,927
	<u>328,927</u>	<u>328,927</u>
Amounts falling due after more than 5 years		
Bank loans	815,838	925,481
	<u>815,838</u>	<u>925,481</u>
	<u>1,364,051</u>	<u>1,473,694</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

9. Related party transactions

Control

During the current and previous year, the company was controlled by the directors.

Transactions

During the year, the company received credits of £23,217 from the directors which resulted in a balance due by the company of £136,992 (2017 - £113,775).

During the year, the company received credits of £9,284 from the shareholders which resulted in a balance due by the company of £54,904 (2017 - £45,621).

The firm of Aberdeen Considine & Co have granted a security of £2,000,000 to Royal Bank of Scotland plc in connection with AC Commercial (Scotland) Limited borrowings with the bank. The firm of Aberdeen Considine & Co have also granted a Rental Shortfall Guarantee to the bank for £100,000. All the directors and several other shareholders in the company are partners in the firm of Aberdeen Considine & Co.

Rent received from Aberdeen Considine & Co during the year totalled £170,000 (2017- £170,000).

The company provided a loan to the firm AC Commercial. The balance outstanding at the year end was £345,581 (2017 - £366,139). The loan represents a 25% share of a loan provided by the Royal Bank of Scotland PLC in the name of AC Commercial (Scotland) Limited, which under the terms of the loan agreement stipulates that the funds be utilised to refinance existing bank borrowings in the firm of AC Commercial. The loan by AC Commercial (Scotland) Limited to the firm of AC Commercial is unsecured and both interest and capital repayments represent 25% of the payments incurred by AC Commercial (Scotland) Limited. Interest chargeable to AC Commercial during the year amounted to £10,503 (2017 - £11,894). All the directors and several shareholders in the company are partners in the firm of AC Commercial.

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.