

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

FOR

ADAM (SCOTLAND) LIMITED

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for the Year Ended 31 December 2019

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ADAM (SCOTLAND) LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2019

DIRECTOR: C Nelson

REGISTERED OFFICE: 13 Glasgow Road
Paisley
PA1 3QS

REGISTERED NUMBER: SC405821 (Scotland)

ACCOUNTANTS: John M Taylor & Co
Chartered Accountants
9 Glasgow Road
PAISLEY
Renfrewshire
PA1 3QS

ADAM (SCOTLAND) LIMITED (REGISTERED NUMBER: SC405821)

BALANCE SHEET

31 December 2019

31.12.18 £		Notes	31.12.19 £
	FIXED ASSETS		
4,737	Tangible assets	5	3,789
	CURRENT ASSETS		
-	Stocks	6	105,616
41,896	Debtors	7	18,280
254,098	Cash at bank		47,419
295,994			171,315
	CREDITORS		
(45,996)	Amounts falling due within one year	8	(10,973)
249,998	NET CURRENT ASSETS		160,342
254,735	TOTAL ASSETS LESS CURRENT LIABILITIES		164,131
	CAPITAL AND RESERVES		
20,000	Called up share capital	9	20,000
234,735	Retained earnings		144,131
254,735	SHAREHOLDERS' FUNDS		164,131

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

BALANCE SHEET - continued
31 December 2019

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the director and authorised for issue on 20 November 2020 and were signed by:

C Nelson - Director

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2019

1. STATUTORY INFORMATION

Adam (Scotland) Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

In light of the ongoing global health crisis caused by COVID-19, the director has assessed the impact that a period of interrupted trading would bring and has taken measures to reduce the company's cost base in order to combat the reduction in revenues that this would cause, including the use of the government furlough scheme. The director has put in place contingency plans to reduce the cost base in order to ensure the company can continue as a going concern with the ability to scale the business back up again once the pandemic is over. Accordingly the director continues to adopt the going concern basis of accounting in preparing these financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents the total invoice value, less credit notes, excluding value added tax of sales made during the period.

Revenue is recognised when goods or services are received by the customer and the risks and rewards of ownership have been passed to them. Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and value added tax.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Computer equipment	- 33% on cost

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

Assets held under finance leases are depreciated in the same way as owned assets.

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any.

Stocks

Work in progress is valued at the lower of cost and estimated selling price less costs to sell, and represents the building costs of houses incomplete at the balance sheet date.

Stock is the remaining development land at purchase cost.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Taxation

Taxation represents the sum of tax currently payable and deferred tax on a non discounted basis.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Financial instruments

Basic financial instruments are recognised at amortised cost. Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are classified in accordance with their underlying economic reality.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

3. ACCOUNTING POLICIES - continued

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash & 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 withing borrowings in current liabilities.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2018 - 6) .

5. TANGIBLE FIXED ASSETS

	Totals £	Fixtures and fittings £	Motor vehicles £	Computer equipment £
COST				
At 1 January 2019 and 31 December 2019	<u>16,823</u>	<u>1,228</u>	<u>12,250</u>	<u>3,345</u>
DEPRECIATION				
At 1 January 2019	12,086	505	8,236	3,345
Charge for year	<u>948</u>	<u>145</u>	<u>803</u>	<u>-</u>
At 31 December 2019	<u>13,034</u>	<u>650</u>	<u>9,039</u>	<u>3,345</u>
NET BOOK VALUE				
At 31 December 2019	<u>3,789</u>	<u>578</u>	<u>3,211</u>	<u>-</u>
At 31 December 2018	<u>4,737</u>	<u>723</u>	<u>4,014</u>	<u>-</u>

6. STOCKS

	31.12.19 £	31.12.18 £
Land & Work-in-progress	<u>105,616</u>	<u>-</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19 £	31.12.18 £
Trade debtors	-	304
Deferred tax	3,932	3,932
Corporation tax	11,950	35,017
VAT	715	148
Prepayments and accrued income	<u>1,683</u>	<u>2,495</u>
	<u>18,280</u>	<u>41,896</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2019

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Trade creditors	-	239
Amounts owed to group undertakings	7,400	-
Corporation Tax	-	22,049
Social security and other taxes	712	1,208
Accruals and deferred income	2,861	22,500
	<u>10,973</u>	<u>45,996</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.12.19	31.12.18
		value:	£	£
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

10. POST BALANCE SHEET EVENTS

After the balance sheet date the company secured loan funds to allow the progress of its housing development project and as a result granted the lender a Standard Security and Floating Charge over the company's assets.

Subsequent to the year end a global health crisis caused by COVID-19 emerged which has had a significant impact on all businesses. The directors have assessed the potential impact of this uncertain situation on the company with the information available and do not consider that it will lead to any subsequent impairment of the carrying amount of reported assets. The company has been able to continue working throughout the lockdown period.

11. ULTIMATE CONTROLLING PARTY

The ultimate parent is Adam Holdings (Scotland) Ltd, a company registered in Scotland and whose registered office is 9 Glasgow Road, Paisley, PA1 3QS.

Clark Nelson is the ultimate controlling party, as a result of holding 100% of the issued share capital in the parent company.

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.