

Company Registration No. SC453089 (Scotland)

Balgowan Investments Ltd

Annual report and unaudited financial statements

for the year ended 31 March 2017

Pages for filing with Registrar

Balgowan Investments Ltd

Company information

Director	Mr R Hawkins
Company number	SC453089
Registered office	510 Perth Road Dundee DD2 1LW
Accountants	Henderson Loggie The Vision Building 20 Greenmarket Dundee DD1 4QB
Bankers	Bank of Scotland 2 West Marketgait Dundee DD1 1QN
Solicitors	Thorntons Law LLP Whitehall House 33 Yeaman Shore Dundee DD1 4BJ

Balgowan Investments Ltd

Contents

	Page
Director's report	1
Balance sheet	2 - 3
Notes to the financial statements	4 - 9

Balgowan Investments Ltd

Director's report

for the year ended 31 March 2017

The director presents his annual report and financial statements for the year ended 31 March 2017.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr R Hawkins

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr R Hawkins

Director

20 December 2017

Balgowan Investments Ltd**Balance sheet**

as at 31 March 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investment properties	2		582,653		582,653
Current assets					
Debtors	3	2,550		-	
Cash at bank and in hand		1,052		1,940	
		<u>3,602</u>		<u>1,940</u>	
Creditors: amounts falling due within one year	4	<u>(122,096)</u>		<u>(108,532)</u>	
Net current liabilities			<u>(118,494)</u>		<u>(106,592)</u>
Total assets less current liabilities			<u>464,159</u>		<u>476,061</u>
Creditors: amounts falling due after more than one year	5		(362,324)		(375,147)
Provisions for liabilities			<u>(16,892)</u>		<u>(16,892)</u>
Net assets			<u><u>84,943</u></u>		<u><u>84,022</u></u>
Capital and reserves					
Called up share capital	6		1		1
Other reserves	7		72,015		72,015
Profit and loss reserves			<u>12,927</u>		<u>12,006</u>
Total equity			<u><u>84,943</u></u>		<u><u>84,022</u></u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

Balgowan Investments Ltd

Balance sheet (continued)

as at 31 March 2017

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

The financial statements were approved and signed by the director and authorised for issue on 20 December 2017

Mr R Hawkins

Director

Company Registration No. SC453089

Balgowan Investments Ltd

Notes to the financial statements

for the year ended 31 March 2017

1 Accounting policies

Company information

Balgowan Investments Ltd is a private company limited by shares incorporated in Scotland. The registered office is 510 Perth Road, Dundee, DD2 1LW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Balgowan Investments Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

1.2 Going concern

The accounts have been prepared on the going concern basis which assumes that the company will continue in operation for the foreseeable future. The director has considered the financial position of the company and will provide support when required. On this basis, the going concern basis is appropriate.

1.3 Turnover

Rental income is included in the profit and loss account in the period to which it relates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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 measured reliably.

Balgowan Investments Ltd

Notes to the financial statements (continued)

for the year ended 31 March 2017

1 Accounting policies (continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 Cash at bank and in hand

Cash at bank and in hand 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 within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention 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.

Classification of financial liabilities

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.

Balgowan Investments Ltd

Notes to the financial statements (continued)

for the year ended 31 March 2017

1 Accounting policies (continued)

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.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the corporation tax and deferred tax charge for the year.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss accounts, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2 Investment property

2017

£

Fair value

At 1 April 2016 and 31 March 2017

582,653

The properties were valued by Graham & Sibbald, Chartered Surveyors, on 18 June 2013 and the director is of the opinion that the value has not materially changed in the current period.

Balgowan Investments Ltd**Notes to the financial statements (continued)****for the year ended 31 March 2017****3 Debtors**

	2017	2016
	£	£
Amounts falling due within one year:		
Other debtors	2,550	-
	<u>2,550</u>	<u>-</u>

4 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	12,823	12,022
Trade creditors	6,280	-
Other creditors	102,993	96,510
	<u>122,096</u>	<u>108,532</u>

5 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	362,324	375,147
	<u>362,324</u>	<u>375,147</u>

The loans are secured over the properties of the company. Interest is being charged at a fixed rate of 6.65% on the first loan and 6.37% on the second loan.

Amounts included above which fall due after five years are as follows:

Payable by instalments	(284,501)	(302,213)
	<u>(284,501)</u>	<u>(302,213)</u>

6 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

Ordinary £1 shares carry full ownership, voting and equity rights.

Balgowan Investments Ltd**Notes to the financial statements (continued)****for the year ended 31 March 2017****7 Other reserve**

	2017	2016
	£	£
At beginning and end of year	72,015	72,015

Revaluation reserve represents the revaluation gain arising on previous UK GAAP treatment of heritable property, now reclassified as investment property under FRS 102 and further revaluations on the investment property.

8 Profit and loss reserves

Profit and loss account includes all current and prior period retained distributable profit and losses.

9 Related party transactions

	2017	2016
	£	£
Amounts owed to related parties		
Other related parties	51,480	51,530

10 Directors' transactions

During the period Balgowan Investments Ltd paid and received amounts from R Hawkins, the sole director of the company, resulting in a balance at the period end of £26,388 (2016 - £30,888) due to R Hawkins. This amount is included within creditors at the period end and there are no set repayment terms.

11 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

Balgowan Investments Ltd**Notes to the financial statements (continued)****for the year ended 31 March 2017****11 Reconciliations on adoption of FRS 102 (continued)****Reconciliation of equity**

		1 April 2015 £	31 March 2016 £
	Notes		
Equity as reported under previous UK GAAP		82,296	100,914
Adjustments arising from transition to FRS 102:			
Deferred tax on investment properties	1	(16,892)	(16,892)
Equity reported under FRS 102		<u>65,404</u>	<u>84,022</u>

Reconciliation of profit for the financial period

		2016 £
Profit as reported under previous UK GAAP and under FRS 102		
Deferred tax on investment properties	1	18,618
		<u>-</u>

Notes to reconciliations on adoption of FRS 102**1. Deferred tax on fair value of investment property**

On transition to FRS 102 deferred tax has been applied on prior years revaluations to comply with FRS 102.

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.