

**GATEWAY PROPERTIES (SCOTLAND)
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

PAGES FOR FILING WITH REGISTRAR



GATEWAY PROPERTIES (SCOTLAND) LIMITED

COMPANY INFORMATION

Directors	R F More S More
Company number	SC470721
Registered office	Clava House Cradlehall Business Park Inverness IV2 5GH
Auditor	Johnston Carmichael LLP Clava House Cradlehall Business Park INVERNESS IV2 5GH
Bankers	Santander Business Banking Bridle Road BOOTLE L30 4GB

GATEWAY PROPERTIES (SCOTLAND) LIMITED

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GATEWAY PROPERTIES (SCOTLAND) LIMITED

BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	4		370		-
Investment properties	5		6,184,171		6,036,670
			<u>6,184,541</u>		<u>6,036,670</u>
Current assets					
Debtors	6	21,205		12,532	
Cash at bank and in hand		7,125		3,391	
		<u>28,330</u>		<u>15,923</u>	
Creditors: amounts falling due within one year	7	(2,849,911)		(2,709,572)	
Net current liabilities			<u>(2,821,581)</u>		<u>(2,693,649)</u>
Total assets less current liabilities			3,362,960		3,343,021
Creditors: amounts falling due after more than one year	8		(2,489,250)		(2,656,250)
Provisions for liabilities					
Deferred tax liability	9	50,661		67,301	
		<u>(50,661)</u>		<u>(67,301)</u>	
Net assets			<u>823,049</u>		<u>619,470</u>
Capital and reserves					
Called up share capital	11		100		100
Revaluation reserve			592,893		504,199
Profit and loss reserves			230,056		115,171
Total equity			<u>823,049</u>		<u>619,470</u>

GATEWAY PROPERTIES (SCOTLAND) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2017

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

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 by the board of directors and authorised for issue on 21 December 2017 and are signed on its behalf by:



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R F More
Director

Company Registration No. SC470721

GATEWAY PROPERTIES (SCOTLAND) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2015	100	(43,294)	(13,539)	(56,733)
Year ended 30 June 2016:				
Profit and total comprehensive income for the year	-	-	676,203	676,203
Transfers arising from revaluation adjustments	-	547,493	(547,493)	-
Balance at 30 June 2016	100	504,199	115,171	619,470
Year ended 30 June 2017:				
Profit and total comprehensive income for the year	-	-	203,579	203,579
Transfers arising from revaluation adjustments	-	88,694	(88,694)	-
Balance at 30 June 2017	100	592,893	230,056	823,049

Transfers arising from revaluation adjustments are net of the related deferred tax movements.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

Company information

Gateway Properties (Scotland) Limited is a private company limited by shares incorporated in Scotland. The registered office is Clava House, Cradlehall Business Park, Inverness, IV2 5GH.

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, Section 1A applicable to Small Entities" ("FRS 102 Section 1A") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A 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 investment properties at fair value. The principal accounting policies adopted are set out below.

Gateway Properties (Scotland) Limited is a wholly owned subsidiary of R F More Limited and the results of Gateway Properties (Scotland) Limited are included in the consolidated financial statements of R F More Limited which are available from Clava House, Cradlehall Business Park, Inverness, IV2 5GH.

1.2 Going concern

The financial statements have been prepared on the going concern basis. The company has reported a profit for the financial period but has also reported net current liabilities of £2,821,581. The directors have produced financial projections to 30 June 2019 which they believe are prudent and achievable. Current trading and future projections indicate profits will be achieved in future periods, and debt levels will continue to fall.

The company is supported by funding from group companies who will continue to support the company for the foreseeable future, as well as bank financial support which is anticipated to continue. Notwithstanding the fact that the group loans are repayable on demand, the group companies have confirmed they will not seek repayment of the loans to the detriment of this company.

After considering all current matters and circumstances, the directors consider the going concern basis to be appropriate.

1.3 Turnover

Turnover represents amounts receivable for rental income.

Revenue from the provision of services is recognised as the service is provided.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Computer equipment	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is charged or credited to profit or loss.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Impairment losses are recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

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. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 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.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 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 account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

Employees' benefits are recognised as an expenses and a liability in the period in which the employee services are delivered.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows;

Investment property valuation

Investment properties are included on the balance sheet at fair value. Calculation of this fair value requires estimation taking into account the condition of the property and the current property market. The directors utilise experienced third party professional valuers to assist in arriving at these valuations.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2016 - 1).

4 Tangible fixed assets

	Computer equipment £
Cost	
At 1 July 2016	-
Additions	430
At 30 June 2017	430
Depreciation and impairment	
At 1 July 2016	-
Depreciation charged in the year	60
At 30 June 2017	60
Carrying amount	
At 30 June 2017	370
At 30 June 2016	-

5 Investment property

	2017 £
Fair value	
At 1 July 2016	6,036,670
Additions	75,447
Revaluations	72,054
At 30 June 2017	6,184,171

Investment property comprises land and buildings. The fair value of the investment properties has been arrived at taking into consideration valuations undertaken by qualified surveyors, who are registered with the RICS and are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

6 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	9,833	1,958
Other debtors	11,372	10,574
	<u>21,205</u>	<u>12,532</u>

7 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	191,068	135,000
Trade creditors	16,681	11,619
Amounts due to group undertakings	2,560,526	2,504,841
Corporation tax	21,437	-
Other creditors	60,199	58,112
	<u>2,849,911</u>	<u>2,709,572</u>

8 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	<u>2,489,250</u>	<u>2,656,250</u>

The bank loans and overdraft are secured by a bond and floating charge over all the assets of the company.

9 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017	Liabilities 2016
	£	£
Balances:		
Investment property	<u>50,661</u>	<u>67,301</u>

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

9	Deferred taxation	(Continued)	
		2017	
	Movements in the year:	£	
	Liability at 1 July 2016	67,301	
	Credit to profit or loss	(16,640)	
	Liability at 30 June 2017	<u>50,661</u>	
10	Deferred income	2017	2016
		£	£
	Other deferred income	<u>21,571</u>	<u>15,382</u>
11	Called up share capital	2017	2016
		£	£
	Ordinary share capital		
	Issued and fully paid		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
12	Audit report information		
	As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:		
	The auditor's report was unqualified.		
	The senior statutory auditor was Scott Jeffrey.		
	The auditor was Johnston Carmichael LLP.		
13	Related party transactions		
	No guarantees have been given or received.		
14	Directors' transactions		
	Included within creditors at the year end is a balance of £10,684 (2016 - £14,781) due to a director. This loan is unsecured, interest-free and has no fixed terms of repayment.		
15	Parent company		
	The company's immediate and ultimate parent company is R F More Limited, a company registered in Scotland.		
