

Company Registration No. SC470721 (Scotland)

GATEWAY PROPERTIES (SCOTLAND) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
PAGES FOR FILING WITH REGISTRAR

GATEWAY PROPERTIES (SCOTLAND) LIMITED

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 9

GATEWAY PROPERTIES (SCOTLAND) LIMITED

BALANCE SHEET

AS AT 30 JUNE 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		1,639		2,049
Investment properties	5		2,675,000		2,787,727
			<u>2,676,639</u>		<u>2,789,776</u>
Current assets					
Debtors	6	24,307		24,268	
Cash at bank and in hand		128,161		118,007	
		<u>152,468</u>		<u>142,275</u>	
Creditors: amounts falling due within one year	7	(2,402,769)		(2,456,369)	
Net current liabilities			<u>(2,250,301)</u>		<u>(2,314,094)</u>
Total assets less current liabilities			426,338		475,682
Creditors: amounts falling due after more than one year	8		(634,500)		(732,500)
Provisions for liabilities					
Deferred tax liability	9	127,516		84,302	
		<u>(127,516)</u>		<u>(84,302)</u>	
Net liabilities			<u>(335,678)</u>		<u>(341,120)</u>
Capital and reserves					
Called up share capital	10		100		100
Revaluation reserve	11		225,800		232,600
Profit and loss reserves			<u>(561,578)</u>		<u>(573,820)</u>
Total equity			<u>(335,678)</u>		<u>(341,120)</u>

The director of the company has 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 and signed by the director and authorised for issue on 28 March 2024

S More
Director

Company Registration No. SC470721

GATEWAY PROPERTIES (SCOTLAND) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2021	100	232,600	(579,853)	(347,153)
Year ended 30 June 2022:				
Profit and total comprehensive income for the year	-	-	6,033	6,033
Balance at 30 June 2022	100	232,600	(573,820)	(341,120)
Year ended 30 June 2023:				
Profit and total comprehensive income for the year	-	-	5,442	5,442
Other movements	-	(6,800)	6,800	-
Balance at 30 June 2023	100	225,800	(561,578)	(335,678)

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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" ("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 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 year and has net liabilities of £335,678 at 30 June 2023. The director has prepared financial projections to 30 June 2025 which she believes are prudent and achievable. By their very nature, financial projections are not certain. Post year end trading and future projections indicate profits will be maintained in future periods. As a landlord, the future results are susceptible to changes in tenants' financial circumstances, however the director remains confident that demand for residential properties to rent will remain high. In addition, the company has obtained confirmation that the amounts owed to group undertakings will not be recalled for a period of at least 12 months from the approval date of the financial statements.

As noted above, by their very nature, the ability of the company to meet its projections remains uncertain and the ability of the company to meet all liabilities as they fall due will be dependent on the achievement of these. After considering all current matters and circumstances, the director considers the adoption of the going concern basis to remain appropriate.

1.3 Turnover

Turnover represents amounts receivable for rental income.

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:

Fixtures, fittings & equipment	20% reducing balance
Computer equipment	33% straight line

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 2023

1 Accounting policies

(Continued)

1.5 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. Changes in fair value are recognised in profit or loss.

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 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.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction 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 2023

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.

1.12 Retirement benefits

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

1.13 Revaluation reserve

The revaluation reserve comprises the gains in the valuation in fair value of the investment properties, less any provision for deferred tax recognised in relation to those gains.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

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 valued at £2,675,000 (2022 - £2,787,727) 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 director utilises experienced third party professional valuers to assist in arriving at these valuations. Valuations are made on an open market value basis by reference to market evidence of transaction prices for similar properties, whilst taking into consideration the commercial and residential rental market.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	1	1

4 Tangible fixed assets

Plant and
machinery etc

£

Cost

At 1 July 2022 and 30 June 2023

6,734

Depreciation

At 1 July 2022

4,685

Depreciation charged in the year

410

At 30 June 2023

5,095

Carrying amount

At 30 June 2023

1,639

At 30 June 2022

2,049

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

5 Investment property

	2023 £
Fair value	
At 1 July 2022	2,787,727
Disposals	(109,556)
Revaluations	(3,171)
	<u>2,675,000</u>
At 30 June 2023	<u>2,675,000</u>

Investment property comprises land and buildings. The fair value of the investment properties has been arrived at taking into consideration valuations carried out at 24th January 2024 undertaken by DM Hall, 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, whilst taking into consideration the commercial and residential rental market. The director considers that the valuation as at 24th January 2024 is reflective of the fair value of the properties as of the period end date.

6 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	24,307	24,268
	<u>24,307</u>	<u>24,268</u>

7 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	10,000	10,000
Trade creditors	17,715	9,522
Amounts owed to group undertakings	2,323,835	2,370,205
Corporation tax	-	7,332
Other creditors	51,219	59,310
	<u>2,402,769</u>	<u>2,456,369</u>

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

8 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	634,500	732,500
	<u>634,500</u>	<u>732,500</u>

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

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

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 2023 £	Liabilities 2022 £
Balances:		
Investment property	127,516	84,302
Movements in the year:		2023 £
Liability at 1 July 2022		84,302
Charge to profit or loss		43,214
Liability at 30 June 2023		127,516

10 Called up share capital

	2023 £	2022 £
Ordinary share capital Issued and fully paid		
100 Ordinary shares of £1 each	100	100

11 Revaluation reserve

	2023 £	2022 £
At the beginning of the year	232,600	232,600
Other movements	(6,800)	-
At the end of the year	225,800	232,600

The movement in the revaluation reserve is a result of the disposal of certain investment properties during the financial year.

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 and the auditor was Johnston Carmichael LLP.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

13 Director's transactions

Included within creditors at the year end is a directors loan with a closing balance of £nil (2022 - £17,658). This loan is unsecured, interest-free and has no fixed terms of repayment.

14 Parent company

The company's immediate and ultimate parent company is R F More Limited, a company registered in Scotland.

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.