

Company Registration No. SC470721 (Scotland)

GATEWAY PROPERTIES (SCOTLAND) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024
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GATEWAY PROPERTIES (SCOTLAND) LIMITED

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GATEWAY PROPERTIES (SCOTLAND) LIMITED

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	3		1,311		1,639
Investment properties	4		2,795,000		2,675,000
			<u>2,796,311</u>		<u>2,676,639</u>
Current assets					
Debtors	5	20,191		24,307	
Cash at bank and in hand		90,878		128,161	
			<u>111,069</u>		<u>152,468</u>
Creditors: amounts falling due within one year	6	(2,331,148)		(2,402,769)	
Net current liabilities			<u>(2,220,079)</u>		<u>(2,250,301)</u>
Total assets less current liabilities			576,232		426,338
Creditors: amounts falling due after more than one year	7		(624,942)		(634,500)
Provisions for liabilities			<u>(147,434)</u>		<u>(127,516)</u>
Net liabilities			<u>(196,144)</u>		<u>(335,678)</u>
Capital and reserves					
Called up share capital	9		100		100
Revaluation reserve	10		325,800		225,800
Profit and loss reserves			<u>(522,044)</u>		<u>(561,578)</u>
Total equity			<u>(196,144)</u>		<u>(335,678)</u>

For the financial year ended 30 June 2024 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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

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

GATEWAY PROPERTIES (SCOTLAND) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2024

The financial statements were approved by the board of directors and authorised for issue on 27/03/25 and are signed on its behalf by:

S. More

S More
Director

Company Registration No. SC470721

GATEWAY PROPERTIES (SCOTLAND) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 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)
Year ended 30 June 2024:				
Profit and total comprehensive income for the year	-	-	139,534	139,534
Other movements	-	100,000	(100,000)	-
Balance at 30 June 2024	100	325,800	(522,044)	(196,144)

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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 £196,144 at 30 June 2024. The directors have prepared financial projections to 30 June 2026 which they believe 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 directors 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.

Within the balance sheet, a bank loan with a balance of £612,442 is presented as due after 1 year with a balloon payment due to be repaid in December 2025. Subsequent to the year end, the company has secured a loan of £812k as a replacement to this loan. Capital repayment of the new loan is due in 5 years therefore will not impact the continuation of the company's trade during the next 12 months.

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 directors consider 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.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

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.

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.

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.

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.10 Taxation

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

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 Employees

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

	2024 Number	2023 Number
Total	3	1

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 July 2023 and 30 June 2024	6,734
Depreciation	
At 1 July 2023	5,095
Depreciation charged in the year	328
At 30 June 2024	5,423
Carrying amount	
At 30 June 2024	1,311
At 30 June 2023	1,639

4 Investment property

	2024 £
Fair value	
At 1 July 2023	2,675,000
Revaluations	120,000
At 30 June 2024	2,795,000

Investment property comprises land and buildings. The fair value of the investment properties has been arrived at taking into consideration valuations carried out at 21st January 2025 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 directors consider that the valuation as at 21st January 2025 is reflective of the fair value of the properties as of the period end date.

5 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	20,191	24,307

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

6 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	10,000	10,000
Trade creditors	18,472	17,715
Amounts owed to group undertakings	2,253,820	2,323,835
Corporation tax	189	-
Other creditors	48,667	51,219
	<u>2,331,148</u>	<u>2,402,769</u>

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

7 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank loans and overdrafts	<u>624,942</u>	<u>634,500</u>

A loan of which £612,442 is outstanding at the year end, is due for repayment in December 2025 with interest payable at 2.5% above base rate, which is applicable after the first year. This is being repaid on an interest only payment basis, therefore no capital reductions have been made. Subsequent to the year end this loan has been settled and replaced with a new loan of £812k.

The bounce back loan of which £22,500 is outstanding at the year end is repayable over 6 years with the first year interest and payment free. The rate of interest on the loan is 2.5% subsequent to the first 12 months being fixed at 0%. Repayments are made on a monthly basis.

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

8 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 2024 £	Liabilities 2023 £
Balances:		
Accelerated capital allowances	328	410
Investment property	<u>147,106</u>	<u>127,106</u>
	<u>147,434</u>	<u>127,516</u>

GATEWAY PROPERTIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

8	Deferred taxation	(Continued)	
		2024	
	Movements in the year:	£	
	Liability at 1 July 2023	127,516	
	Charge to profit or loss	19,918	
	Liability at 30 June 2024	147,434	
9	Called up share capital	2024	2023
		£	£
	Ordinary share capital		
	Issued and fully paid		
	100 Ordinary shares of £1 each	100	100
10	Revaluation reserve	2024	2023
		£	£
	At the beginning of the year	225,800	232,600
	Other movements	100,000	(6,800)
	At the end of the year	325,800	225,800
The movement in the revaluation reserve is a result of the disposal of certain investment properties during the prior financial year and the revaluation during the current year.			
11	Events after the reporting date		
	Subsequent to the year end, the Directors have refinanced the bank facility with their existing loan provider, with additional funds available and extended repayment terms through to 2030.		
12	Related party transactions		
	The company has taken advantage of the exemption within FRS102 Section 1A paragraph 1AC.35 from the requirement to disclose transactions with wholly owned group companies.		
	No guarantees have been given or received.		
13	Parent company		
	The company's immediate and ultimate parent company is R F More Limited, a company registered in Scotland.		