

Company Registration Number: SC191689



Balgarthno Estates Limited
Filleted Financial Statements
For the year ended
30 September 2017



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Balgarthno Estates Limited

Financial Statements

Year ended 30 September 2017

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Balgarthno Estates Limited

Director's Responsibilities Statement

Year ended 30 September 2017

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Balgarthno Estates Limited

Statement of Financial Position

30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	4	2,500,000	2,500,000
Current assets			
Debtors	5	3,546,713	3,546,921
Cash at bank and in hand	12	—	—
		<u>3,546,725</u>	<u>3,546,921</u>
Creditors: amounts falling due within one year	6	<u>(1,380,024)</u>	<u>(252,637)</u>
Net current assets		<u>2,166,701</u>	<u>3,294,284</u>
Total assets less current liabilities		<u>4,666,701</u>	<u>5,794,284</u>
Creditors: amounts falling due after more than one year	7	—	<u>(1,125,000)</u>
Net assets		<u>4,666,701</u>	<u>4,669,284</u>
Capital and reserves			
Called up share capital	10	1,250,001	1,250,001
Profit and loss account		<u>3,416,700</u>	<u>3,419,283</u>
Shareholder funds		<u>4,666,701</u>	<u>4,669,284</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 25/6/18, and are signed on behalf of the board by:



B R Linton
Director

Company registration number: SC191689

The notes on pages 3 to 7 form part of these financial statements.

Balgarthno Estates Limited

Notes to the Financial Statements

Year ended 30 September 2017

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is East Kingsway Business Centre, Mid Craigie Road, Dundee, DD4 7RH.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The director has assessed the company's ability to continue as a going concern, as detailed in note 16, and has reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis of accounting in preparing these financial statements.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle an obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Balgarthno Estates Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Investments

Fixed asset investments in group undertakings are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

Financial liabilities and equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Balgarthno Estates Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

4. Investments

	Shares in group undertakings £
Cost	
At 1 October 2016 and 30 September 2017	<u>2,500,000</u>
Impairment	
At 1 October 2016 and 30 September 2017	<u>—</u>
Carrying amount	
At 30 September 2017	<u>2,500,000</u>
At 30 September 2016	<u>2,500,000</u>

The company owns 100% of the issued share capital of St Andrews Estates (Scotland) Limited, which is registered in Scotland and has a principal activity of property investment.

Aggregate capital and reserves

	2017 £	2016 £
St Andrews Estates (Scotland) Limited	4,167,429	3,595,093

Profit and (loss) for the year

	2017 £	2016 £
St Andrews Estates (Scotland) Limited	572,336	1,245,381

5. Debtors

	2017 £	2016 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,928,868	2,928,668
Other debtors	<u>618,045</u>	<u>618,253</u>
	<u>3,546,713</u>	<u>3,546,921</u>

6. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	—	2,802
Amounts owed to group undertakings and undertakings in which the company has a participating interest	251,424	247,535
Other creditors	<u>1,128,600</u>	<u>2,300</u>
	<u>1,380,024</u>	<u>252,637</u>

Balgarthno Estates Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

7. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>-</u>	<u>1,125,000</u>

8. Deferred tax

The company has a deferred tax asset arising at 30 September 2017 of £9,119 (2016: £9,353). This asset is in respect of other timing differences, and the asset is not recognised in these financial statements.

9. Financial instruments at fair value

For financial instruments measured at fair value, the basis for determining fair value must be disclosed. When a valuation technique is used, the assumptions applied in determining fair value for each class of financial assets or financial liabilities must be disclosed. If a reliable measure of fair value is no longer available for ordinary or preference shares measured at fair value through profit or loss, this must also be disclosed.

10. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1
Preference shares of £1 each	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,250,000</u>
	<u>1,250,001</u>	<u>1,250,001</u>	<u>1,250,001</u>	<u>1,250,001</u>

The preference shares carry no voting rights, no entitlement to dividend and the company has no obligation to repay these.

11. Security

The group's bankers hold standard securities over the company's property assets together with a bond and floating charge over the whole of the company's assets. The group's bankers also hold cross company guarantees between companies within the James Keiller Investments Limited group. At 30 September 2017 the total sum outstanding on overdraft and term loans within the group facility amounted to £27,774,991 (2016: £29,224,106).

12. Summary audit opinion

The auditor's report for the year was unqualified.

The senior statutory auditor was Malcolm Beveridge CA, for and on behalf of Chiene + Tait LLP.

Balgarthno Estates Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

13. Related party transactions

Included in other debtors are the following amounts:

	30 Sep 17 £	30 Sep 16 £
Benson Properties Limited	117,784	117,784
SWR Developments Limited	500,000	500,000
	<u>617,784</u>	<u>617,784</u>

Interest of £15,445 (2016: £15,445) on these loans was receivable for the period. This was fully provided against in the period.

B R Linton is a director of each of the above companies. The companies all operate in the property sector and the director is satisfied that all sums are fully recoverable on the assumption that they continue to receive support from the bank.

The company has taken advantage of exemption under FRS 102 from the requirement to disclose related party transactions with wholly owned group undertakings.

14. Controlling party

The company's immediate parent undertaking is James Keiller Holdings Limited and its ultimate parent undertaking is James Keiller Investments Limited.

The Linton family control 100% of the shares of James Keiller Investments Limited, the company's ultimate controlling party.

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 October 2015.

No transitional adjustments were required in equity or profit or loss for the year.

16. Going concern

The group's ultimate parent company, James Keiller Investments Limited, has a facility with Abbey National Treasury Services PLC which covers the period up to February 2022. The individual subsidiary undertakings within the group do not have bank overdraft or loan facilities, but meet their day to day working capital requirements through James Keiller Investments Limited's bank facilities. The individual companies within the group have each granted cross guarantees over their assets as security for the group borrowings.

On the basis of the financial information available to the director together with the support of the group's bankers, the director considers the group to be a going concern and therefore the financial statements of the company have been prepared on a going concern basis.