

Registered Number: SC475396

MERCHANT PROPERTIES SCOTLAND LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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MERCHANT PROPERTIES SCOTLAND LIMITED

COMPANY INFORMATION

Directors	S P King A J Johnston
Company Secretary	B W C McGhee
Company Number	SC475396
Registered Office	Hamilton House 70 Hamilton Drive Glasgow G12 8DR
Auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Solicitors	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL
Bankers	Clydesdale Bank plc 30 St Vincent Place Glasgow G1 2HL

MERCHANT PROPERTIES SCOTLAND LIMITED

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MERCHANT PROPERTIES SCOTLAND LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report and the financial statements for the year ended 31 March 2018.

Principal activity

The principal activity of the company is the development and operation of entertainment and leisure facilities.

Results and dividend

The loss for the year, after taxation, amounted to £47,300 (2017: £12,096). The directors do not recommend a dividend (2017: £nil).

Directors

The directors who served during the year were:

A J Johnston
S P King

Provision of information to auditor

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In preparing this directors' report advantage has been taken of the small companies' exemption.

This report was approved by the board on
behalf.

24 August 2018

and signed on its



S P King
Director

MERCHANT PROPERTIES SCOTLAND LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2018

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

MERCHANT PROPERTIES SCOTLAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCHANT PROPERTIES SCOTLAND LIMITED

Opinion

We have audited the financial statements of Merchant Properties Scotland Limited ("the Company") for the year ended 31 March 2018 which comprise the profit and loss account, the statement of changes in equity, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

MERCHANT PROPERTIES SCOTLAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCHANT PROPERTIES SCOTLAND LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.;

MERCHANT PROPERTIES SCOTLAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCHANT PROPERTIES LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Glasgow
United Kingdom

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MERCHANT PROPERTIES SCOTLAND LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
TURNOVER	1,3	837,394	847,776
Cost of sales		<u>(237,151)</u>	<u>(245,763)</u>
GROSS PROFIT		600,243	602,013
Selling and distribution expenses		(464,583)	(420,495)
Administrative expenses		(175,178)	(177,674)
Other operating income		1,963	2,501
OPERATING (LOSS) / PROFIT	4	<u>(37,555)</u>	<u>6,345</u>
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>(37,555)</u>	<u>6,345</u>
Interest payable	6	(8,783)	(8,691)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(46,338)</u>	<u>(2,346)</u>
Taxation on loss on ordinary activities	8	(962)	(9,750)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u><u>(47,300)</u></u>	<u><u>(12,096)</u></u>

All results shown above are in respect of continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

MERCHANT PROPERTIES SCOTLAND LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Called-up Share capital £	Share Premium £	Profit and loss account £	Total Equity £
At 1 April 2016	4	1,182,596	(26,120)	1,156,480
Loss and total Comprehensive income for the period	-	-	(12,096)	(12,096)
At 31 March 2017	4	1,182,596	(38,216)	1,144,384
Loss and total Comprehensive income for the year	-	-	(47,300)	(47,300)
At 31 March 2018	4	1,182,596	(85,516)	1,097,084

The notes on pages 9 to 16 form part of these financial statements.

MERCHANT PROPERTIES SCOTLAND LIMITED

BALANCE SHEET AS AT 31 MARCH 2018

	Note	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Tangible fixed assets	9		1,464,267		1,519,667
CURRENT ASSETS					
Stock	10	6,117		9,317	
Debtors	11	125,864		130,868	
Cash in hand and at bank		115,252		60,655	
		<u>247,233</u>		<u>200,840</u>	
CREDITORS: amounts falling due within one year	12	(328,462)		(291,922)	
NET CURRENT LIABILITIES			<u>(81,229)</u>		<u>(91,082)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,383,038		1,428,585
CREDITORS: amounts falling due after more than one year	13		(275,000)		(275,000)
PROVISION: Deferred tax	14		(10,954)		(9,201)
NET ASSETS			<u>1,097,084</u>		<u>1,144,384</u>
CAPITAL AND RESERVES					
Called up share capital	15		4		4
Share premium			1,182,596		1,182,596
Profit and loss account			(85,516)		(38,216)
SHAREHOLDERS' FUNDS			<u>1,097,084</u>		<u>1,144,384</u>

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

The financial statements were approved and authorised for issue by the board on
and were signed on its behalf by:

24 August 2018


S P King
Director

Merchant Properties Scotland Limited

Registered Number: SC475396

The notes on pages 9 to 16 form part of these financial statements

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

Merchant Properties Scotland Limited is a company incorporated in Scotland under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

In preparing the financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS102:

- No cash flow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in the ultimate parent company's consolidated financial statements;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole;
- No disclosure is given of transactions between wholly owned members of the group to which this company belongs.

The financial statements are prepared in sterling which is the functional currency of the company. No level of rounding has been applied to these financial statements.

The following principal accounting policies have been applied:

1.2 Going Concern

The company has net current liabilities of £81,233 (2017: £91,082). The company is reliant on the continuing support of its intermediate parent company, G1 Group Plc/G1 Group Holdings PLC, which has provided the company with a letter of support confirming this is in place for a period of 12 months from the date of signing of the financial statements. Accordingly the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

1.3. Turnover

Turnover represents the amount derived from the receipts or receivables including rebates, excluding discounts and value added tax associated with the continuing principal activity of development and operation of entertainment and leisure facilities.

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	-	2% - 10% straight line
Fixtures and fittings	-	10% - 20% straight line

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

1.5. Operating leases : Lessee & lessor

Operating lease rental expenses/income are charged/ credited to the profit and loss account on a straight line basis over the lease term.

1.6. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7. Deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.8. Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

1.9. Stocks

Stocks are stated at the lower of cost and net realisable value.

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements.

Taxation

Management establish provisions for taxation based on reasonable estimates, for possible consequences of taxation. The amount of provision is based on various factors. Management's estimation is required to determine the amount of deferred tax asset that can be recognised, based upon likely timing and level of future taxable profits.

Tangible fixed assets

Management have estimated the useful life and residual values of the company's tangible fixed assets. This is based on management's experience of the industry and similar assets held within the group.

Debtors and creditors

Short term debtors and creditors are measured at transaction price, less any impairment.

3. TURNOVER

The total turnover of the company for the year has been derived from its principal activity. All turnover arose within the United Kingdom.

4. OPERATING (LOSS) / PROFIT

The operating (loss) / profit is stated after charging:

	2018	2017
	£	£
Loss on sale of fixed assets	709	-
Depreciation of tangible fixed assets:		
- owned by the company	58,447	58,732
Operating lease rentals		
- land and buildings	24,792	18,958

The audit fee for the company is incurred by a fellow subsidiary company. The audit fee for this company is £3,190 (2017: £3,100).

The company, being a subsidiary, has taken exemption from disclosing non-audit remuneration payable as the required disclosure is made within the parent company statutory accounts.

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

5. STAFF COSTS

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	287,050	258,565
Social security costs	14,698	12,365
Pension Costs	1,050	679
	<u>302,798</u>	<u>271,609</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018	2017
	No.	No.
Managerial and administration	6	9
Hourly paid staff	9	10
	<u>15</u>	<u>19</u>

6. INTEREST PAYABLE

	2018	2017
	£	£
Loan note interest payable	<u>8,783</u>	<u>8,691</u>

7. DIRECTORS' REMUNERATION

	2018	2017
	£	£
Directors' fees	<u>100,000</u>	<u>100,000</u>

Both directors received remuneration in equal portions during the financial year.

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

8. TAXATION

- a) The tax charge is based on profit for the year and comprises:

	2018 £	2017 £
Current tax		
UK corporation tax charge on profit for the year	-	7,318
Adjustment in respect of prior years	(787)	-
	<u>(787)</u>	<u>7,318</u>
Deferred tax		
Origination and reversal of timing differences	1,753	2,432
	<u>966</u>	<u>9,750</u>
Tax on profit on ordinary activities		

- b) The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before taxation	<u>(46,338)</u>	<u>(2,346)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	(8,804)	(469)
<i>Effects of:</i>		
Adjustment in respect of prior years		-
Fixed asset differences	10,016	10,539
Losses carried back	748	-
Adjust closing deferred tax to average rate	-	(1,224)
Expenses not deductible for tax purposes	-	65
Adjustments to tax charge in respect of previous periods	(787)	-
Adjustments to prior periods – deferred tax	(207)	839
Deferred taxation		-
Total tax charge for the year	<u>966</u>	<u>9,750</u>

Changes to the UK corporation tax were enacted in October 2015 reducing the main rate of corporation tax to 19% from 1 April 2017 and 18% from 1 April 2020. As these changes were substantially enacted before balance sheet date, their effects have been included within the financial statements. Any further changes enacted after balance sheet date have not been incorporated.

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9. TANGIBLE FIXED ASSETS

	Short leasehold property £	Furniture, fittings and equipment £	Total £
Cost			
At 1 April 2017	1,490,693	178,710	1,669,403
Additions	543	3,214	3,757
Disposals	-	(1,111)	(1,111)
At 31 March 2018	<u>1,491,236</u>	<u>180,813</u>	<u>1,672,049</u>
Depreciation			
At 1 April 2017	85,279	64,457	149,736
Charge for the year	36,785	21,662	58,447
Disposals	-	(401)	(401)
At 31 March 2018	<u>122,064</u>	<u>85,718</u>	<u>207,782</u>
Net book value			
At 31 March 2018	<u>1,369,172</u>	<u>95,095</u>	<u>1,464,267</u>
At 31 March 2017	<u>1,405,414</u>	<u>114,253</u>	<u>1,519,667</u>

10. STOCK

	2018 £	2017 £
Bar and food stock	<u>6,117</u>	<u>9,317</u>

During the year stock of £237,151 (2017: £245,763) was recognised in cost of sales.

11. DEBTORS: Amounts falling due within one year

	2018 £	2017 £
Trade debtors	1,226	1,495
Other debtors	113,670	113,830
Prepayments and accrued income	4,973	15,543
Deferred Income	5,208	-
Corporation tax	787	-
	<u>125,864</u>	<u>130,868</u>

12. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	260,238	214,356
Accruals and deferred income	39,613	34,941
Other creditors	-	4,444
Social security and other taxes	28,611	30,863
Corporation tax	-	7,318
	<u>328,462</u>	<u>291,922</u>

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

13. CREDITORS: Amounts falling due after more than one year

	2018	2017
	£	£
Loan notes	<u>275,000</u>	<u>275,000</u>

14. DEFERRED TAX

	2018	2017
	£	£
At 1 April 2017	9,201	6,769
Charged in the year	<u>1,753</u>	<u>2,432</u>
At 31 March 2018	<u>10,954</u>	<u>9,201</u>

The provision for deferred taxation is made up as follows:

	2018	2017
	£	£
Accelerated capital allowances	<u>10,954</u>	<u>9,201</u>

15. SHARE CAPITAL

	2018	2017
	£	£
Authorised		
2 Ordinary A shares of £1 each	2	2
2 Ordinary B shares of £1 each	<u>2</u>	<u>2</u>
	<u>4</u>	<u>4</u>
Allotted, called up and fully paid		
2 ordinary A shares of £1 each	2	2
2 ordinary B shares of £1 each	<u>2</u>	<u>2</u>
	<u>4</u>	<u>4</u>

16. RELATED PARTY TRANSACTIONS

Trading purchases were made from Peckham's Scotland Limited, a company controlled by a director of Merchant Properties Scotland Limited at arm's length during the year totalling £4,260 (2017: £14,200)

During the year no advances were made to the directors of the company. The highest value of the directors' loan account during the year was £90,960 (2017: £90,960).

During the year a management fee of £15,000 (2017: £15,000) was payable to one of company's shareholders, G1 Group (Holdings) PLC.

At 31 March 2018 a balance of £14,270 (2017: £29,918) was held in trade creditors on behalf of the company by G1 Group Plc, a company controlled by a director of Merchant Properties Scotland Limited.

At 31 March 2018 there are loan notes totalling £275,000 (2017: £275,000) issued by one of the company's shareholders G1 Group (Holdings) PLC.

MERCHANT PROPERTIES SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent undertaking for which group financial statements are drawn up and of which the company is a member is G1 Group (Holdings) plc, a company incorporated in Scotland. G1 Group (Holdings) plc owns 50% of the company with control being split evenly between G1 Group (Holdings) plc and A J Johnston. Copies of G1 Group (Holdings) plc consolidated financial statements are available from the company's registered office.

18. OPERATING LEASE COMMITMENTS

LESSEE

The company leases out a property under a non - cancellable operating lease for the following future minimum lease payments.

	2018	2017
	£	£
Not later than 1 year	37,503	263
Later than 1 year and not later than 5 years	81,819	-
Later than 5 years	379,399	-
	<u>498,721</u>	<u>263</u>

LESSOR

	2018	2017
	£	£
Not later than 1 year	42,199	59,677
Later than 1 year and not later than 5 years	-	238,707
Later than 5 years	-	796,397
	<u>42,199</u>	<u>1,094,781</u>