

Company Registration No. 05772424 (England and Wales)

**HARLEY SCOTT COMMERCIAL LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# **HARLEY SCOTT COMMERCIAL LTD**

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# HARLEY SCOTT COMMERCIAL LTD

## BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Investment properties	3		1,150,000		6,150,000
<b>Current assets</b>					
Debtors	4	2,481,737		2,185,596	
<b>Creditors: amounts falling due within one year</b>	5	(16,499,357)		(16,778,421)	
<b>Net current liabilities</b>			(14,017,620)		(14,592,825)
<b>Total assets less current liabilities</b>			(12,867,620)		(8,442,825)
<b>Capital and reserves</b>					
Called up share capital	6		100		100
Profit and loss reserves			(12,867,720)		(8,442,925)
<b>Total equity</b>			(12,867,620)		(8,442,825)

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 1 July 2020 and are signed on its behalf by:

Mr T S Whittaker  
**Director**

**Company Registration No. 05772424**

# HARLEY SCOTT COMMERCIAL LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2019**

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### **1 Accounting policies**

#### **Company information**

Harley Scott Commercial Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Group First House, 12a Mead Way, Burnley, BB12 7NG.

#### **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. The principal accounting policies adopted are set out below.

The financial statements of the company are consolidated in the financial statements of Group First Limited. These consolidated financial statements are available from its registered office Group First House, 12a Mead Way, Burnley, BB12 7NG.

#### **1.2 Going concern**

The company is reliant upon the financial support of its related companies within the group, of which Harley Scott Commercial Limited is a subsidiary, in order to meet its liabilities as they fall due. The directors have indicated that the group support will continue for the foreseeable future and, as a result, have continued to adopt the going concern basis in preparing the financial statements.

Further information relating to going concern status of Harley Scott Commercial Limited can be found in note 1.7 relating to the winding up petition.

#### **1.3 Turnover**

Turnover represents amounts receivable for commercial property sales and related services net of VAT and trade discounts.

#### **Revenue Recognition**

Sale of storage units is recognised upon receipt of the 100% customer deposit when significant risks and rewards have been transferred to the customer.

Property revenue consists of gross rental income on an accrual basis. Rental income receivable in the period from lease commencement to the earlier of lease expiry and any tenant option to break is spread evenly over that period. Any incentive for lessees to enter in to lease agreement and any costs associated with entering in to the lease are spread over the same period.

A property is regarded as sold when the significant risks and returns have been transferred to the buyer. For conditional exchanges, sales are recognised as the conditions are satisfied.

# HARLEY SCOTT COMMERCIAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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### 1 Accounting policies

(Continued)

#### 1.4 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.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.5 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.6 Taxation

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

# HARLEY SCOTT COMMERCIAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 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.

### 2 Employees

The average monthly number of persons employed by the company during the year was 0 (2018 - 0).

### 3 Investment property

	2019 £
<b>Fair value</b>	
At 1 July 2018	6,150,000
Disposal	(5,000,000)
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At 30 June 2019	1,150,000
	<hr/>

The disposal of investment property related to a forfeiture of leasehold property.

### 4 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	358,087	1,814,451
Corporation tax recoverable	99	-
Amounts owed by group undertakings	1,730,248	146,334
Other debtors	393,303	224,811
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	2,481,737	2,185,596
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# HARLEY SCOTT COMMERCIAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

**5 Creditors: amounts falling due within one year**

	2019 £	2018 £
Bank loans and overdrafts	2,401	2,400
Trade creditors	321,812	636,905
Amounts owed to group undertakings	8,926,942	7,966,901
Corporation tax	-	1
Other taxation and social security	81,109	39,697
Other creditors	7,167,093	8,132,517
	<u>16,499,357</u>	<u>16,778,421</u>

**6 Called up share capital**

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**7 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 Jonathan Brodie.

The auditor was Loplan Gross Barnett & Co.

**8 Related party transactions**

There were no related party transactions outside the normal course of business.

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.