

COMPANY REGISTRATION NUMBER: SC068924

Sundial Properties Limited

Filleted Unaudited Financial Statements

For the year ended

31 December 2021

Sundial Properties Limited

Consolidated Statement of Financial Position

31 December 2021

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	5	1,204,231	1,287,413
Investments	6	117,335	117,335
		1,321,566	1,404,748
Current assets			
Stocks	7	4,695,474	7,922,632
Debtors	8	1,759,114	1,576,262
Cash at bank and in hand		2,124,415	398,826
		8,579,003	9,897,720
Creditors: amounts falling due within one year	9	6,732,160	9,102,818
Net current assets		1,846,843	794,902
Total assets less current liabilities		3,168,409	2,199,650
Creditors: amounts falling due after more than one year	10	879,167	599,167
Provisions		9,558	—
Net assets		2,279,684	1,600,483
Capital and reserves			
Called up share capital		35,380	35,380
Other reserves		6,317,100	6,317,100
Profit and loss account		(4,510,496)	(5,339,739)
Equity attributable to the owners of the parent company		1,841,984	1,012,741
Non-controlling interests		437,700	587,742
		2,279,684	1,600,483

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 Section 1A of 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 consolidated income statement has not been delivered.

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Sundial Properties Limited

Consolidated Statement of Financial Position *(continued)*

31 December 2021

These financial statements were approved by the board of directors and authorised for issue on 22 September 2022 , and are signed on behalf of the board by:

W J Gray Muir

Director

Company registration number: SC068924

Sundial Properties Limited
Company Statement of Financial Position
31 December 2021

		2021		2020
	Note	£	£	£
Fixed assets				
Tangible assets	5	709,253		709,728
Investments	6	117,420		117,422
		826,673		827,150
Current assets				
Stocks	7	1,149,243		2,233,657
Debtors	8	3,461,598		4,609,609
Cash at bank and in hand		1,749,449		126,895
		6,360,290		6,970,161
Creditors: amounts falling due within one year	9	6,066,494		8,000,292
Net current assets/(liabilities)			293,796	(1,030,131)
Total assets less current liabilities			1,120,469	(202,981)
Creditors: amounts falling due after more than one year	10		39,167	49,167
Net assets/(liabilities)			1,081,302	(252,148)
Capital and reserves				
Called up share capital		35,380		35,380
Share premium account		3,799,620		3,799,620
Profit and loss account		(2,753,698)		(4,087,148)
Shareholder funds/(deficit)			1,081,302	(252,148)

The profit for the financial year of the parent company was £ 1,333,450 (2020: £ 2,752,551).

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 Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Sundial Properties Limited

Company Statement of Financial Position *(continued)*

31 December 2021

These financial statements were approved by the board of directors and authorised for issue on 22 September 2022 , and are signed on behalf of the board by:

W J Gray Muir

Director

Company registration number: SC068924

Sundial Properties Limited

Consolidated Statement of Changes in Equity

Year ended 31 December 2021

	Called up share capital £	Other reserves £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controlling interests £	Total £
At 1 January 2020			(
	35,000	6,317,100	5,032,473)	1,319,627	588,145	1,907,772
Loss for the year			(307,266)	(307,266)	(23)	(307,289)
Total comprehensive income for the year	—	—	(307,266)	(307,266)	(23)	(307,289)
Issue of shares	380	—	—	380	(380)	—
Total investments by and distributions to owners	380	—	—	380	(380)	—
At 31 December 2020			(
	35,380	6,317,100	5,339,739)	1,012,741	587,742	1,600,483
Profit for the year			829,243	829,243	(42)	829,201
Total comprehensive income for the year	—	—	829,243	829,243	(42)	829,201
Dividends paid and payable	—	—	—	—	(150,000)	(150,000)
Total investments by and distributions to owners	—	—	—	—	(150,000)	(150,000)
At 31 December 2021			(
	35,380	6,317,100	4,510,496)	1,841,984	437,700	2,279,684

Sundial Properties Limited
Company Statement of Changes in Equity
Year ended 31 December 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2020			((
	35,380	3,799,620	6,839,699)	3,004,699)
Profit for the year			2,752,551	2,752,551
Total comprehensive income for the year	—	—	2,752,551	2,752,551
At 31 December 2020			((
	35,380	3,799,620	4,087,148)	(252,148)
Profit for the year			1,333,450	1,333,450
Total comprehensive income for the year	—	—	1,333,450	1,333,450
At 31 December 2021			((
	35,380	3,799,620	2,753,698)	1,081,302

Sundial Properties Limited

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 46 Charlotte Square, EH2 4QS, Edinburgh.

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 directors have assessed the group's and the company's ability to continue as a going concern and have reasonable expectation, as detailed in 'Events after the end of the reporting period', that the group and the company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) Disclosures in respect of share-based payments have not been presented.
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of Sundial Properties Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

Sundial Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Revenue recognition

Revenue arises from the sale of properties, from the provision of construction services and from property rental income. Revenue is measured at the fair value of the consideration received or receivable and represents amounts for the sale of properties in the normal course of business, net of discounts and other sales related taxes. Revenue is recorded in the financial statements in connection with property sales when a legally binding contract for service has been entered into and when the following conditions are satisfied: - the amount of revenue can be measured reliably; - it is probable that economic benefits associated with the transaction will flow to the entity; and - the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Investment property	-	nil
Plant and machinery	-	20% straight line
Fixtures and fittings	-	33% straight line
Motor vehicles	-	33.3% to 20%

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss. If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments

Fixed asset investments are initially valued at cost, and subsequently stated at cost less any accumulated impairment losses.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded 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.

Stocks

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 12 (2020: 16).

5. Tangible assets

Group	Investment property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2021	1,737,397	18,494	284,133	12,692	2,052,716
Additions	—	—	1,494	—	1,494
Disposals	(76,418)	(2,483)	(10,079)	—	(88,980)
At 31 December 2021	1,660,979	16,011	275,548	12,692	1,965,230
Depreciation					
At 1 January 2021	470,976	17,894	263,741	12,692	765,303
Charge for the year	—	432	10,752	—	11,184
Disposals	(2,926)	(2,482)	(10,080)	—	(15,488)
At 31 December 2021	468,050	15,844	264,413	12,692	760,999
Carrying amount					
At 31 December 2021	1,192,929	167	11,135	—	1,204,231
At 31 December 2020	1,266,421	600	20,392	—	1,287,413
Company					
	Investment property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2021	707,930	18,494	236,574	12,692	975,690
Additions	—	—	1,125	—	1,125
Disposals	—	(2,483)	(10,080)	—	(12,563)
At 31 December 2021	707,930	16,011	227,619	12,692	964,252
Depreciation					
At 1 January 2021	—	17,894	235,376	12,692	265,962
Charge for the year	—	432	1,167	—	1,599
Disposals	—	(2,482)	(10,080)	—	(12,562)
At 31 December 2021	—	15,844	226,463	12,692	254,999
Carrying amount					
At 31 December 2021	707,930	167	1,156	—	709,253
At 31 December 2020	707,930	600	1,198	—	709,728

Included within the above is investment property as follows:

	Group £	Company £
At 1 January 2021	1,266,421	707,930
Other movements	(73,492)	—
At 31 December 2021	1,192,929	707,930

The directors have considered the value of the investment and heritable properties as at 31 December 2021, based

upon their experience and knowledge of the property markets, and have revalued the individual properties accordingly in line with their opinion of the current values.

Tangible assets held at valuation

In respect of tangible assets held at valuation, aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

Group	Investment properties £
At 31 December 2021	
Aggregate cost	1,660,979
Aggregate depreciation	(468,050)
Carrying value	1,192,929
At 31 December 2020	
Aggregate cost	1,737,397
Aggregate depreciation	(470,976)
Carrying value	1,266,421

Company	Investment properties £
At 31 December 2021	
Aggregate cost	707,930
Aggregate depreciation	—
Carrying value	707,930
At 31 December 2020	
Aggregate cost	707,930
Aggregate depreciation	—
Carrying value	707,930

6. Investments

Group	Other investments other than loans £		
Cost			
At 1 January 2021 and 31 December 2021			117,335
Impairment			
At 1 January 2021 and 31 December 2021			—
Carrying amount			
At 1 January 2021 and 31 December 2021		117,335	
At 31 December 2020		117,335	
Company	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost			
At 1 January 2021	3,237	117,335	120,572

Disposals	(2)	—	(2)
At 31 December 2021	3,235	117,335	120,570
Impairment			
At 1 January 2021 and 31 December 2021	3,150	—	3,150

Carrying amount

At 31 December 2021	85	117,335	117,420
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At 31 December 2020	87	117,335	117,422
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Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Registered office	Class of share	Percentage of shares held
Subsidiary undertakings			
Sundial (Drumsheugh) Limited	Scotland	Ordinary	100
RW Leith Limited	Scotland	Ordinary	75
ARC18 Limited	Scotland	Ordinary	50
SUB18 Ltd	Scotland	Ordinary	100
DRUM 18 Limited	Scotland	Ordinary	100

7. Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Work in progress	4,695,474	7,922,632	1,149,243	2,233,657
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8. Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	113,618	10,992	225,434	65,975
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,533,110	1,480,292	3,126,677	4,392,187
Other debtors	112,386	84,978	109,487	151,447
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	1,759,114	1,576,262	3,461,598	4,609,609
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9. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	—	1,921,322	—	—
Trade creditors	140,479	139,470	126,517	138,976
Amounts owed to group undertakings and undertakings in which the company has a participating interest	253,327	253,325	1,999,877	2,639,873
Social security and other taxes	1,115,826	118,042	1,121,807	82,563
Other loans	4,087,001	5,082,939	1,897,072	3,558,469
Convertible loan notes	225,000	950,000	225,000	950,000
Other creditors	910,527	637,720	696,221	630,411
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	6,732,160	9,102,818	6,066,494	8,000,292
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The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2021	2020
	£	£
Bank loans and overdrafts	–	1,606,205
Convertible loan notes	225,000	950,000
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	225,000	2,556,205
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The convertible loan notes carry an interest rate of 10.55% and were fully repayable on 31 January 2019.

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	329,167	49,167	39,167	49,167
Other loans	550,000	550,000	–	–
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	879,167	599,167	39,167	49,167
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The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2021	2020
	£	£
Other loans	550,000	550,000
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Other loans carry an annual interest rate of 2%.

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Not later than 1 year	45,853	46,974	45,853	46,974
Later than 1 year and not later than 5 years	3,015	820	3,015	820
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	48,868	47,794	48,868	47,794
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12. Events after the end of the reporting period

On 25 February 2022, director Gary Willis resigned.

13. Directors' advances, credits and guarantees

During the year there were no advances, credits or guarantees made in favour of the directors (2020: none). Included within other creditors are loans due to directors of £448,010 (2020: £377,103). The loans are for no fixed period, interest is charged at rates between 8.5% and 9.5%.

14. Related party transactions

Company

The company has taken advantage of exemption under FRS 102 Section 1A from the requirement to disclose information with entities that are wholly owned in the group. Fox Edinburgh Limited, a company of which W J Gray Muir and C S Gray Muir are directors continued to provide a loan to the company. At the year end the balance due to Fox Edinburgh Limited was £437,000 (2020: £437,000). Interest was charged on this loan at 3% per annum. During the year the company charged Fox Edinburgh Limited rent of £9,832 (2020: £nil) on normal commercial terms. The amount outstanding at the year end was £nil (2020: £nil). During the year the company received various loan advances and paid various loan repayments to RW Leith Limited, a subsidiary undertaking. The amount of loan due to RW Leith Limited outstanding at the year end was £1,746,468 (2020: £2,346,469). Also during the year, the company received dividends from RW Leith Limited of £450,000 (2020: £nil). The dividends outstanding at the year end were £nil (2020: £nil). During the year the company was charged £1,802 (2020: £1,815) for architectural services of White Square Architecture and Design Limited, a company controlled by G J Willis, a director of this company. The amount outstanding at the year end was £nil (2020: £nil).

15. Controlling party

The ultimate parent undertaking is Sundial Holdings Limited, a company incorporated in Scotland. Copies of the group financial statements are available from 46 Charlotte Square, Edinburgh, EH2 4HQ.

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.