RICHMOND PROPERTIES (ABERDEEN) LIMITED
No. SC084872

FILLETED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2017

RICHMOND PROPERTIES (ABERDEEN) LIMITED

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RICHMOND PROPERTIES (ABERDEEN) LIMITED

BALANCE SHEET
AS AT 31 OCTOBER 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	3		64,159		43,260
Investment properties	4		6,689,581		2,360,000
			6,753,740		2,403,260
Current assets					
Debtors	5	22,738		14,809	
Cash at bank and in hand		185,579		-	
		208,317		14,809	
Creditors: amounts falling due within one year	6	(3,131,463)		(1,165,023)	
Net current liabilities			(2,923,146)		(1,150,214)
Total assets less current liabilities			3,830,594		1,253,046
Creditors: amounts falling due after more than one year	7		(2,746,569)		(436,000)
Provisions for liabilities			(3,256)		-
Net assets			1,080,769		817,046
Capital and reserves					
Called up share capital	8		150,000		150,000
Share premium account			60,000		60,000
Capital redemption reserve			50,000		50,000
Other reserves			312,100		312,100
Profit and loss reserves			508,669		244,946
Total equity			1,080,769		817,046

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2017

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

The director confirms that the company was entitled to exemption from the requirement to have an audit under the provisions of section 477(1) of the Companies Act 2006 and that the members have not required the company to obtain an audit for the year in accordance with section 476(1) of that Act. The director acknowledges his responsibility to ensure that the company keeps accounting records in accordance with section 386 and to prepare accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for that financial year in accordance with section 394 and which otherwise comply with the Companies Act 2006 as far as applicable to the company.

These financial statements have been prepared and delivered in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and signed by the director and authorised for issue on 20 April 2018

Thomas Sutherland
Director
Company Registration No. SC084872

1 Accounting policies

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 £.

These financial statements for the year ended 31 October 2017 are the first financial statements of Richmond Properties (Aberdeen) Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 November 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 13.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for rental income and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Revenue for the provision of services is recognised by reference to the date on which services were rendered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets other than investment properties are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

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 credited or charged to profit or loss.

1 Accounting policies (continued)

1.5 Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently they are measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

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

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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

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.

1 Accounting policies (continued)

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.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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.

1 Accounting policies (continued)

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 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2016 - 6).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 November 2016	133,074
Additions	37,958
Disposals	(26,000)
At 31 October 2017	145,032
Depreciation and impairment	
At 1 November 2016	89,814
Depreciation charged in the year	17,059
Eliminated in respect of disposals	(26,000)
At 31 October 2017	80,873
Carrying amount	
At 31 October 2017	64,159
At 31 October 2016	43,260

4 Investment properties

	2017 £
Fair value	
At 1 November 2016	2,360,000
Additions	4,329,581
At 31 October 2017	6,689,581

Investment properties comprises a number of commercial properties generating rental income. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 16 December 2015 by Knight Frank Chartered Surveyors, who 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. The director is of the opinion that the investment properties valuations remain appropriate as at 31 October 2017 and are not materially different from their open market valuations.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2017 £	2016 £
Cost	6,377,481	2,047,900
Accumulated depreciation	-	-
Carrying amount	6,377,481	2,047,900

5 Debtors

	2017	2016
Amounts falling due within one year:	**£**	**£**
Other debtors	22,738	14,809

6 Creditors: amounts falling due within one year

	2017	2016
	£	**£**
Bank loans and overdrafts	500,000	50,698
Trade creditors	176,009	42,963
Amounts due to group undertakings	1,996,189	900,000
Corporation tax	22,187	14,310
Other taxation and social security	24,272	10,777
Other creditors	412,806	146,275
	3,131,463	1,165,023

7 Creditors: amounts falling due after more than one year

	2017	2016
	£	**£**
Bank loans and overdrafts	2,736,000	436,000
Other creditors	10,569	-
	2,746,569	436,000

Royal Bank of Scotland hold a Bond and Standard Security over, 12-14 Upperkirkgate, Aberdeen and the Ground Floor Retail Units, The Galleria Shopping Centre, Bon Accord Street, Aberdeen, 6 Atholl Place and 8/10 Blackfriars Street, Perth and 36 North Castle Street, Edinburgh. They also hold an unlimited Inter Company Guarantee between fellow group companies.

The company operates one bank loan which is due to be repaid in February 2021. Interest is charged at 1.95% above LIBOR.

8 Called up share capital

	2017	2016
	£	**£**
Ordinary share capital		
Issued and fully paid		
150,000 Ordinary shares of £1 each	150,000	150,000

9 Operating lease commitments

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2017	2016
	£	£
Total	3,595,703	2,511,824

10 Director's transactions

As at 31 October 2017 the company was due the director £380,035 (2016 - £124,376). This loan is interest free with no set repayment terms.

11 Parent company

The company was controlled throughout the current and previous year by its parent company, Grampian Property Group Limited, a company incorporated in Scotland.

12 Company information

Richmond Properties (Aberdeen) Limited is a private company limited by shares incorporated in Scotland. The registered office is 1 George Square, Glasgow, G2 1AL.

13 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 November 2015	31 October 2016
	£	£
Equity as reported under previous UK GAAP and under FRS 102	1,277,335	817,046

Reconciliation of loss for the financial period

	2016
	£
Loss as reported under previous UK GAAP and under FRS 102	(47,267)

Notes to reconciliations on adoption of FRS 102

1. Revaluation of investment properties

Under FRS 102, investment properties whose fair value can be measured reliably without undue cost or effort shall be measured at fair value at each reporting date with changes in fair value recognised in profit or loss. This differs from the treatment under the FRSSE to transfer any gains (or losses) to a separate revaluation reserve. Amounts previously accounted for through the revaluation reserve have been transferred to non-distributable "Other reserves".