

Company registration number SC093773 (Scotland)

ABERCASTLE INVESTMENTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
PAGES FOR FILING WITH REGISTRAR

ABERCASTLE INVESTMENTS LIMITED

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ABERCASTLE INVESTMENTS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2022

| | | 2022 | 2021 |
|---|-------|-------------------|-------------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangible assets | 3 | 4,885 | 1,649 |
| Investment properties | 4 | 6,411,333 | 6,004,990 |
| Investments | 5 | 180,000 | 730,000 |
| | | <u>6,596,218</u> | <u>6,736,639</u> |
| Current assets | | | |
| Stocks | | 1,126,485 | - |
| Debtors | 7 | 6,718,920 | 6,867,312 |
| Cash at bank and in hand | | 1,079,961 | 1,914,761 |
| | | <u>8,925,366</u> | <u>8,782,073</u> |
| Creditors: amounts falling due within one year | 8 | <u>(216,210)</u> | <u>(274,818)</u> |
| Net current assets | | <u>8,709,156</u> | <u>8,507,255</u> |
| Total assets less current liabilities | | <u>15,305,374</u> | <u>15,243,894</u> |
| Provisions for liabilities | 9 | <u>(78,524)</u> | <u>(864)</u> |
| Net assets | | <u>15,226,850</u> | <u>15,243,030</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 3,309,375 | 3,309,375 |
| Share premium account | | 2,450,000 | 2,450,000 |
| Non distributable profit and loss reserves | | 1,198,983 | 1,198,983 |
| Distributable profit and loss reserves | | 8,268,492 | 8,284,672 |
| Total equity | | <u>15,226,850</u> | <u>15,243,030</u> |

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

For the financial year ended 31 August 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

ABERCASTLE INVESTMENTS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2022

The financial statements were approved by the board of directors and authorised for issue on 28 August 2023 and are signed on its behalf by:

A Cunningham
Director

Company Registration No. SC093773

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Company information

Abercastle Investments Limited is a private company limited by shares incorporated in Scotland. The registered office is 5th Floor Quartermile Two, 2 Lister Square, Edinburgh, EH3 9GL.

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, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Abercastle Investments Limited is a wholly owned subsidiary of Abercastle Property Holdings Limited, a company registered in Scotland, with their registered office being C/O Morton Fraser LLP, 5th Floor, Quartermile Two, 2 Lister Square, Edinburgh, EH3 9GL.

1.2 Going concern

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

1.3 Turnover

Turnover represents rental income and is recognised at the fair value of the consideration receivable over the term of the lease and is shown net of VAT.

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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|-------------------|
| Fixtures, fittings & equipment | 15% straight line |
| Computer equipment | 20% straight line |

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.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 the profit and loss account.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 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.

Debtors

Debtors with no stated interest rate or receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

Creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

All interest bearing loans and borrowings which are basic financial instruments are initially recorded at the present value of cash payable. After initial recognition they are measured at amortised cost.

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Equity instruments

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

1.11 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.

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.

1.12 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 Retirement benefits

Payments to defined contribution retirement benefits schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2021 - 0).

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3 Tangible fixed assets

| | Plant and machinery etc £ |
|------------------------------------|------------------------------|
| Cost | |
| At 1 September 2021 | 1,832 |
| Additions | 3,979 |
| | <hr/> |
| At 31 August 2022 | 5,811 |
| | <hr/> |
| Depreciation and impairment | |
| At 1 September 2021 | 183 |
| Depreciation charged in the year | 743 |
| | <hr/> |
| At 31 August 2022 | 926 |
| | <hr/> |
| Carrying amount | |
| At 31 August 2022 | 4,885 |
| | <hr/> |
| At 31 August 2021 | 1,649 |
| | <hr/> |

4 Investment properties

| | 2022 £ |
|---------------------|-----------|
| Fair value | |
| At 1 September 2021 | 6,004,990 |
| Additions | 406,343 |
| | <hr/> |
| At 31 August 2022 | 6,411,333 |
| | <hr/> |

Investment properties comprises a portfolio of commercial properties. The fair value of the properties has been arrived at on the basis of a valuation carried out in April 2017 by Colliers International Valuation UK LLP, an independent third party with a recognised and relevant professional qualification. The valuation was made on a open market basis with reference to market evidence of transaction prices and with reference to rental yields. Enhancement expenditure accounted for through investment property additions in the year has been accounted for at cost.

5 Fixed asset investments

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Shares in group undertakings and participating interests | 180,000 | 180,000 |
| Other investments other than loans | - | 550,000 |
| | <hr/> | <hr/> |
| | 180,000 | 730,000 |
| | <hr/> | <hr/> |

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Fixed asset investments (Continued)

Movements in fixed asset investments

| | Shares in subsidiaries £ | Other investments £ | Total £ |
|--------------------------|--------------------------------|---------------------------|------------|
| Cost or valuation | | | |
| At 1 September 2021 | 180,000 | 550,000 | 730,000 |
| Disposals | - | (550,000) | (550,000) |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2022 | 180,000 | - | 180,000 |
| | <hr/> | <hr/> | <hr/> |
| Carrying amount | | | |
| At 31 August 2022 | 180,000 | - | 180,000 |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2021 | 180,000 | 550,000 | 730,000 |
| | <hr/> | <hr/> | <hr/> |

6 Subsidiaries

Details of the company's subsidiaries at 31 August 2022 are as follows:

| Name of undertaking | Registered office key | Nature of business | Class of shares held | % Held Direct | Indirect |
|-----------------------|--------------------------|----------------------|-------------------------|------------------|----------|
| Abercastle NV Limited | 1 | Property development | Ordinary | 100.00 | 0 |

Registered Office addresses:

1 C/O Morton Fraser LLP, 4th Floor, Quartermile Two, 2 Lister Square, Edinburgh, EH3 9GL

7 Debtors

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 45,185 | 42,644 |
| Corporation tax recoverable | 24,724 | 26,370 |
| Amounts owed by group undertakings | 6,583,743 | 6,603,662 |
| Other debtors | 65,268 | 194,636 |
| | <hr/> | <hr/> |
| | 6,718,920 | 6,867,312 |
| | <hr/> | <hr/> |

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 3,571 | 629 |
| Trade creditors | 86,196 | 66,576 |
| Corporation tax | - | 1,646 |
| Other taxation and social security | 13,140 | 37,561 |
| Other creditors | 113,303 | 168,406 |
| | <u>216,210</u> | <u>274,818</u> |

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Liabilities 2022 | Liabilities 2021 |
|--------------------------------|---------------------|---------------------|
| | £ | £ |
| Balances: | | |
| Accelerated capital allowances | <u>78,524</u> | <u>864</u> |
| Movements in the year: | | 2022 |
| | | £ |
| Liability at 1 September 2021 | | 864 |
| Charge to profit or loss | | 77,660 |
| Liability at 31 August 2022 | | <u>78,524</u> |

10 Called up share capital

| | 2022 | 2021 | 2022 | 2021 |
|---|------------------|------------------|------------------|------------------|
| | Number | Number | £ | £ |
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of £1 each | <u>3,309,375</u> | <u>3,309,375</u> | <u>3,309,375</u> | <u>3,309,375</u> |

ABERCASTLE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Related party transactions

The company has taken advantage of the disclosure exemption available in FRS 102 section 1A appendix C whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

The directors are of the opinion that all related party transactions are conducted under normal market conditions and on an arm's length basis and therefore do not need to be disclosed under FRS 102 section 1A appendix C.

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.