

Registered number: SC106596

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JOHN CLARK (PROPERTIES) LIMITED

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ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



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**JOHN CLARK (PROPERTIES) LIMITED**

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**CORPORATE INFORMATION**

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<b>Directors</b>	J H S Clark C J Clark J K Murray
<b>Company secretary</b>	A McIntosh
<b>Registration number</b>	SC106596
<b>Registered office</b>	Alliance Centre Greenwell Road East Tullos Industrial Estate Aberdeen AB12 3AX United Kingdom
<b>Auditor</b>	Ernst & Young LLP G1, 5 George Square Glasgow G2 1DY

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**JOHN CLARK (PROPERTIES) LIMITED**

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**JOHN CLARK (PROPERTIES) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Directors present their report and the financial statements for the year ended 31 December 2020

**Principal activities**

The company continues to own a portfolio of freehold and long leasehold properties which were previously owned by its parent company or fellow wholly owned subsidiaries thereof. Commercial terms leases are held with the occupiers of our properties, all of whom are fellow wholly owned motor trade subsidiaries of our common parent company.

**Overview of performance**

A further freehold site at the Newbridge motor village in Edinburgh was acquired in the latter part of 2020. Build works for a Volvo Cars franchise dealership are due to commence here in 2021 to then support an existing business 2022 relocation and occupation by a fellow wholly owned subsidiary. This project has been funded via support from our parent company, which itself has secured term loan support from the group's primary banking partners.

Our development of a new build BMW and Motorrad franchises dealership on a Dundee freehold was progressed. Despite Coronavirus pandemic driven lockdown restrictions, this investment was completed in early 2021. This project has been funded via support from our parent company, which itself has secured term loan support from the directly associated finance house partner.

The company has seen no direct use of any UK government initiatives which have been deployed as economic support for businesses facing Coronavirus pandemic driven lockdown restrictions.

The profit for the year, before taxation, amounted to £168,186 (2019 - £553,606). This included a property valuation impairment provision of £(200,000) (2019 - £Nil) following the Board of Directors annual review, including consideration of professional advisor views and relevant changes in the marketplace.

No dividends were paid in the year (2019: £Nil).

**Directors**

The Directors who served during the year were:

J H S Clark

C J Clark

J K Murray

**Post year-end events**

A further freehold property in Dundee, which was already let and operated by a fellow wholly owned subsidiary as an Audi franchise dealership, has been acquired. This project has been funded via support from our parent company, which itself has secured term loan support from the directly associated finance house partner.

The Directors continue to consider further investment plans for sites in Aberdeen and Stirling.

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**JOHN CLARK (PROPERTIES) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Streamlined Energy and Carbon reporting (SECR)**

The company has taken advantage of the exemption from making individual reports in subsidiary companies by reviewing the SECR regulations at group level and as such further disclosures can be found in the statutory accounts of John Clark (Holdings) Limited.

**Directors' responsibilities statement**

The Directors are responsible for preparing the 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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.

**Future prospects**

The company continues to operate as in 2020 and to again generate positive trading results in 2021.

**Going Concern**

The factors likely to affect its financial position and its exposure to credit, liquidity and interest rate risk across the going concern period up to 31 July 2022 are described in the Strategic Report of John Clark (Holdings) Limited, the ultimate parent company.

As part of the John Clark Holdings group ('the Group'), the company has access to financial resources as required. The Group has confirmed that it will ensure that sufficient funds are available so that the company can continue to meet its obligations for the going concern period to 31 July 2022. Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

**Disclosure of information to auditor**

The Directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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**JOHN CLARK (PROPERTIES) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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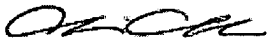
**Auditor**

The auditor, Ernst and Young LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 16 July 2021 and signed on its behalf.



**C J Clark**  
Director

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN CLARK (PROPERTIES) LTD**

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**Opinion**

We have audited the financial statements of John Clark (Properties) Limited ('the Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes 1 to 18 to the financial statements, including the 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 FRS 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 company affairs as at 31 December 2020 and of its profit 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 below. 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN CLARK (PROPERTIES) LTD (CONTINUED)**

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**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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, we report that:

- 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.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement set out on page 2, 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.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN CLARK (PROPERTIES) LTD (CONTINUED)**

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**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.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations.
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance. We corroborated our enquires through reading the board minutes, and we noted that there was no contradictory evidence.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management within various parts of the business to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of stakeholders. Where this risk was considered higher, we performed audit procedures to address the fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reading board minutes to identify any non-compliance with laws and regulations; enquiries of management and journal testing, as outlined above.

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

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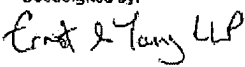
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN CLARK (PROPERTIES) LTD (CONTINUED)**

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**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.

DocuSigned by:

 Ernst & Young LLP

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Paul Copland (Senior Statutory Auditor)

for and on behalf of

Ernst & Young LLP

Chartered Accountants and Statutory Auditors

Date: 20 July 2021

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**JOHN CLARK (PROPERTIES) LIMITED**


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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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	Notes	2020 £	2019 £
Turnover		1,977,441	1,688,828
<b>Gross profit</b>		<b>1,977,441</b>	<b>1,688,828</b>
Administrative expenses		(709,222)	(453,424)
Impairment provision		(200,000)	-
Profit on sale of fixed assets		-	207,967
<b>Operating Profit</b>		<b>1,068,219</b>	<b>1,443,371</b>
Interest payable	6	(900,033)	(889,765)
<b>Profit before tax</b>		<b>168,186</b>	<b>553,606</b>
Tax (charge)/credit on profit	7	(60,306)	624,991
<b>Profit for the financial year</b>		<b>107,880</b>	<b>1,178,597</b>

There was no other comprehensive income for 2020 (2019: £Nil)

All results relate to continued operations.

The notes on pages 11 to 16 form part of these financial statements.

**JOHN CLARK (PROPERTIES) LIMITED**  
**REGISTERED NUMBER: SC106596**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Investment property	8	36,810,206	28,706,245
Creditors: amounts falling due within one year	9	(33,843,293)	(25,871,212)
<b>Net current liabilities</b>		<u>(33,843,293)</u>	<u>(25,871,212)</u>
<b>Total assets less current liabilities</b>		<u>2,966,913</u>	<u>2,835,033</u>
<b>Provisions for liabilities</b>			
Deferred tax	12	(228,000)	(204,000)
<b>Net assets</b>		<u><b>2,738,913</b></u>	<u><b>2,631,033</b></u>
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Profit and loss account	14	2,738,813	2,630,933
<b>Total equity</b>		<u><b>2,738,913</b></u>	<u><b>2,631,033</b></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 July 2021.



C J Clark  
 Director

The notes and accounting policies on pages 11 to 16 form part of these financial statements.

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**JOHN CLARK (PROPERTIES) LIMITED**


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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£
At 1 January 2020	100	2,630,933	2,631,033
Profit for the year	-	107,880	107,880
At 31 December 2020	<u>100</u>	<u>2,738,813</u>	<u>2,738,913</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**


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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£
At 1 January 2019	100	1,452,336	1,452,436
Profit for the year	-	1,178,597	1,178,597
At 31 December 2019	<u>100</u>	<u>2,630,933</u>	<u>2,631,033</u>

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**JOHN CLARK (PROPERTIES) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 General information**

John Clark (Properties) Limited is a private company limited by shares and registered in Scotland. Registered number SC106596. Its registered head office is located at Alliance Centre Greenwell Road, East Tullos Industrial Estate, Aberdeen, AB12 3AX. The principal activity of the company is the rental of owned properties.

**2 Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 judgment in applying the company's accounting policies (see note 3).

The factors likely to affect its financial position and its exposure to credit, liquidity and interest rate risk across the going concern period up to 31 July 2022 are described in the Strategic Report of John Clark (Holdings) Limited, the ultimate parent company.

As part of the John Clark (Holdings) group ('the Group'), the company has access to financial resources as required. The Group has confirmed that it will ensure that sufficient funds are available so that the company can continue to meet its obligations for the going concern period to 31 July 2022. Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

The financial statements have been prepared in Sterling (£) as the functional currency.

**2.2 Revenue**

Revenue, which is wholly attributable to the company's principal activities and is derived entirely in the United Kingdom, represents rental and management income received on the leasing of property. Revenue is recognised over the lease term of the lease.

**2.3 Investment property**

Investment property is carried at fair value determined annually by management and external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

**2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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**JOHN CLARK (PROPERTIES) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Accounting policies (Continued)****2.5 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.6 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**2.7 Current and deferred taxation**

The tax charge/credit for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and 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 operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

**2.8 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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**JOHN CLARK (PROPERTIES) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Accounting policies (Continued)****2.8 Financial instruments (continued)**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**3 Judgements in applying accounting policies and key sources of estimation uncertainty.**

Certain judgements are applied in the preparation of the statutory accounts, with the company following a group standard policy on property valuation. As per note 2.3 regarding investment property, property valuation is reviewed annually with consideration to current market conditions and adjusted through the Statement of Comprehensive Income as applicable.

**4 Auditor's remuneration**

No auditors' remuneration has been expensed in the company's financial statements. This cost has been borne by the other group companies.

**5 Employees**

The company has no employees other than the Directors, who did not receive any remuneration in the year (2019 £Nil).



## JOHN CLARK (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**6 Interest payable**

	2020	2019
	£	£
Interest payable to group undertakings	900,033	889,765

**7 Taxation**

	2020	2019
	£	£
<b>Corporation tax</b>		
Current tax on profits for the year	31,955	92,184
Adjustments in respect of previous periods	4,351	10,315
<b>Total current tax</b>	36,306	102,499
<b>Deferred tax</b>		
Origination and reversal of timing differences	24,000	(27,615)
Adjustments in respect of previous periods	-	(699,875)
<b>Total deferred tax</b>	24,000	(727,490)
<b>Taxation charge/(credit) on profit on ordinary activities</b>	60,306	(624,991)

**Factors affecting tax charge/(credit) for the year**

The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020	2019
	£	£
Profit on ordinary activities before tax	168,186	553,606
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	31,955	105,185
<b>Effects of:</b>		
Fixed assets timing differences	-	(44,600)
Rate Changes	24,000	3,249
Expenses not deductible	-	735
Adjustments from previous periods	4,351	(689,560)
<b>Total tax charge for the year</b>	60,306	(624,991)

**Factors that may affect future tax charges**

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020. However, legislation was introduced in the Finance Act 2020 (enacted on 22 July 2020) which repealed the reduction thereby maintaining the current rate of 19%. Deferred taxes on the balance sheet have been measured at 19% (2019: 17%) which represents the future corporation tax rate that was enacted at the balance sheet date.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25% which is due to be effective from 1 April 2023. These changes were not substantially enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the year end.

If the company's deferred tax balances at the year end were remeasured at 25% this would result in a deferred tax charge of £72,000.

## JOHN CLARK (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**8 Investment Property**

	<b>Owne investment property</b>	<b>Assets under Construction</b>	<b>Impairment Provision</b>	<b>Total</b>
<b>Valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2020	28,706,245	-	-	28,706,245
Additions at cost	2,643,415	5,660,546	(200,000)	8,103,961
Transfer	(2,200,013)	2,200,013	-	-
<b>At 31 December 2020</b>	<b>29,149,647</b>	<b>7,860,559</b>	<b>(200,000)</b>	<b>36,810,206</b>

The 2020 valuations were made by Directors, on an open market value for existing use basis.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Historic cost	35,810,206	27,506,245

**9 Creditors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	33,714,803	25,779,028
Corporation tax	128,490	92,184
	<b>33,843,293</b>	<b>25,871,212</b>

**10 Guarantees**

The company has issued guarantees with certain other group companies in connection with bank facilities and stocking loan facilities received by the group. The total of the balances covered by guarantees at 31 December 2020 was £nil (2019: £202,362) and £56,348,771 (2019: £69,983,986) respectively.

**11 Financial instruments**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	-	-
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(33,714,803)	(25,779,028)

Financial assets that are debt instruments at amortised cost comprise wholly of amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

**12 Deferred taxation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At beginning of year	204,000	931,490
Charged/(Credited) to profit or loss	24,000	(727,490)
<b>At year end</b>	<b>228,000</b>	<b>204,000</b>

The provision for deferred taxation is made up as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fixed asset timing differences	228,000	204,000

## JOHN CLARK (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

13 Share capital	2020	2019
	£	£
Allotted, called up and fully paid 100 (2019: 100)		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

## 14 Reserves

## Profit and loss account

Includes all current and prior period retained profits and losses. Distributable reserve.

## 15 Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	452,125	452,125
Later than 1 year and not later than 5 years	1,808,500	1,808,500
Later than 5 years	<u>16,092,154</u>	<u>16,544,279</u>
	<u>18,352,779</u>	<u>18,804,904</u>

## 16 Related party transactions

Under section 33.1A of FRS 102, the company has taken advantage of the exemption for disclosure of related party transactions between members of a group where subsidiaries are wholly owned.

The board of Directors have considered disclosure of compensation in relation to key management personnel and have concluded this consists of Directors only.

## 17 Controlling party

The immediate parent company is John Clark (Holdings) Limited, a company incorporated in Great Britain, registered in Scotland and whose principal place of business is the same as the registered address of the Company. The Directors consider the ultimate controlling party is John H S Clark by virtue of his majority shareholding in the immediate parent company.

The largest group in which the results of the company are consolidated is that headed by John Clark (Holdings) Limited. The consolidated accounts of John Clark (Holdings) Limited are available to the public and may be obtained from the Registrar of Companies. Companies House, 4th Floor. Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

## 18 Post Balance Sheet Events

A further freehold property in Dundee, which was already let and operated by a fellow wholly owned subsidiary as an Audi franchise dealership, has been acquired. This project has been funded via support from our parent company, which itself has secured term loan support from the directly associated finance house partner.

The Directors continue to consider further investment plans for sites in Aberdeen and Stirling.