

Company Registration No. SC128301 (Scotland)

**STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 23 DECEMBER 2019**

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# **STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED**

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# STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED

## BALANCE SHEET

AS AT 23 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Stocks		2,550,023		2,549,709	
Debtors	4	18,560		26,620	
Cash at bank and in hand		1,305		639	
		<u>2,569,888</u>		<u>2,576,968</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(2,237,724)</u>		<u>(2,141,808)</u>	
<b>Net current assets</b>			<u>332,164</u>		<u>435,160</u>
<b>Capital and reserves</b>					
Called up share capital			1,000		1,000
Profit and loss reserves			<u>331,164</u>		<u>434,160</u>
<b>Total equity</b>			<u>332,164</u>		<u>435,160</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 25 September 2020 and are signed on its behalf by:

Mr W D Hill

**Director**

**Company Registration No. SC128301**

# STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 23 DECEMBER 2019

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### 1 Accounting policies

#### Company information

Strathclyde Business Park (Developments) Limited is a private company limited by shares incorporated in Scotland. The registered office is Phoenix House, Phoenix Crescent, Strathclyde Business Park, Bellshill, Lanarkshire, ML4 3NJ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of HFD Construction Group Limited and HFD Group Limited. Both of these consolidated financial statements are available from their registered office, Phoenix House, Phoenix Crescent, Strathclyde Business Park, Bellshill, Lanarkshire, ML4 3NJ.

# STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.2 Going concern

The directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. In satisfaction of this responsibility the directors have considered the group's ability to meet its liabilities as they fall due.

The company meets its day to day working capital requirements through a mixture of retained profits and support of group companies. The company closely monitors and manages its funding position and liquidity risk throughout the year to ensure that it has access to sufficient funds to meet forecast cash requirements.

The company is actively monitoring the impact on operations from Covid-19 outbreak and has implemented a number of mitigations to minimise the impact. The risks considered by the Board include:

- Decreased economic activity impacting the sector through government restrictions or impact on customers;
- The consequential impact of this on the company's revenue and cash flow;
- Interruptions to operations due to measures taken to contain an outbreak on our sites
- The impact of the above on the company's ability to satisfy its liabilities as they fall due.

The company's going concern assessment considers its principal risks, including those in respect of Covid-19 and is dependant on a number of factors including financial performance and access to funding facilities. The directors acknowledge that the company could be adversely affected by the pandemic depending on how the situation evolves and how this impacts the sector moving forward.

The current and future financial position of the company, its cash flows and liquidity position have been reviewed by the directors. The directors are confident that the existing funding facilities will provide sufficient headroom to meet forecast cash requirements having considered any additional requirements that would be contingent on a downturn in activity over the same period (specifically in relation to the COVID-19 pandemic).

As such, the directors consider that it is appropriate to prepare financial statements on a going concern basis.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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.

The turnover shown in the profit and loss account represents rental income which is recognised on a straight-line basis over the period of the lease and sale of land for development purposes. The company's activities are carried out wholly in the UK.

#### 1.4 Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads, including interest during the period of construction.

# STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

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

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

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

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

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

#### 1.6 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.

#### 1.7 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.

# STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2019

### 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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### **Long term contracts**

The attributable profit on long term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project and is calculated on a prudent basis by recording turnover and related costs as contract activity progresses.

Full provision is made for foreseeable losses on all contracts in the year in which the loss is first foreseen.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	3	3
	<u>          </u>	<u>          </u>

# STRATHCLYDE BUSINESS PARK (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2019

### 4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	3,140	750
Amounts owed by group undertakings	7,800	-
Other debtors	7,620	25,870
	<u>18,560</u>	<u>26,620</u>

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

	2019	2018
	£	£
Trade creditors	-	4,486
Amounts owed to group undertakings	1,452,797	1,356,797
Other creditors	784,927	780,525
	<u>2,237,724</u>	<u>2,141,808</u>

### 6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Peter Gallanagh.  
The auditor was Azets Audit Services.

### 7 Parent company

The company's immediate parent undertaking is HFD Construction Group Limited which is the smallest group of companies for which financial statements are prepared. The company's ultimate parent undertaking is HFD Group Limited which is the largest group of companies for which financial statements are prepared. Copies of group financial statements are available to the public from Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

W D Hill is considered to be the ultimate controlling party due to his majority shareholding in HFD Group Limited.



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.