

Company Registration No. SC137690 (Scotland)

**WESTPOINT HOMES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# WESTPOINT HOMES LIMITED

## COMPANY INFORMATION

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | S W Cullis<br>G Dickson<br>D Mawhinney<br>G Lyon<br>I Rigby   |
| <b>Secretary</b>         | I Rigby   |
| <b>Company number</b>    | SC137690  |
| <b>Registered office</b> | 3 Arthur Street<br>Clarkston<br>Glasgow<br>United Kingdom<br>G76 8BQ  |
| <b>Auditor</b>           | Azets Audit Services<br>Titanium 1<br>King's Inch Place<br>Renfrew<br>Renfrewshire<br>United Kingdom<br>PA4 8WF |

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# WESTPOINT HOMES LIMITED

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# **WESTPOINT HOMES LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2020***

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The directors present their annual report and financial statements for the year ended 30 September 2020.

### **Principal activities**

The principal activity of the company continued to be that of property development.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S W Cullis  
G Dickson  
D Mawhinney  
G Lyon  
I Rigby

### **Auditor**

The auditor, Azets Audit Services (formerly trading as Campbell Dallas Audit Services), is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

I Rigby  
**Director**

21 June 2021

# WESTPOINT HOMES LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2020

|  | Notes | 2020<br>£          | £                       | 2019<br>£          | £                         |
|--|-------|--------------------|-------------------------|--------------------|---------------------------|
| <b>Fixed assets</b>  |       |                    |                         |                    |                           |
| Tangible assets  | 4     | 400,000            |                         | -                  |                           |
| Investments  | 5     | -                  |                         | 1,101              |                           |
|  |       | <u>400,000</u>     |                         | <u>1,101</u>       |                           |
| <b>Current assets</b>  |       |                    |                         |                    |                           |
| Stocks   | 6     | 6,911,055          |                         | 3,506,382          |                           |
| Debtors  | 7     | 2,072,768          |                         | 1,948,757          |                           |
| Cash at bank and in hand                                       |       | 60,988             |                         | 371,779            |                           |
|  |       | <u>9,044,811</u>   |                         | <u>5,826,918</u>   |                           |
| <b>Creditors: amounts falling due within one year</b>          | 8     | <u>(8,280,270)</u> |                         | <u>(5,606,449)</u> |                           |
| <b>Net current assets</b>                                      |       |                    | <u>764,541</u>          |                    | <u>220,469</u>            |
| <b>Total assets less current liabilities</b>                   |       |                    | <u>1,164,541</u>        |                    | <u>221,570</u>            |
| <b>Creditors: amounts falling due after more than one year</b> | 9     |                    | -                       |                    | (1,431,935)               |
| <b>Net assets/(liabilities)</b>                                |       |                    | <u><u>1,164,541</u></u> |                    | <u><u>(1,210,365)</u></u> |
| <b>Capital and reserves</b>                                    |       |                    |                         |                    |                           |
| Called up share capital  | 10    |                    | 1,500                   |                    | 1,500                     |
| Share premium account  |       |                    | 500                     |                    | 500                       |
| Profit and loss reserves                                       | 11    |                    | <u>1,162,541</u>        |                    | <u>(1,212,365)</u>        |
| <b>Total equity</b>  |       |                    | <u><u>1,164,541</u></u> |                    | <u><u>(1,210,365)</u></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 21 June 2021 and are signed on its behalf by:

S W Cullis  
Director

Company Registration No. SC137690

# **WESTPOINT HOMES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 30 SEPTEMBER 2020***

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### **1 Accounting policies**

#### **Company information**

Westpoint Homes Limited is a private company limited by shares incorporated in Scotland. The registered office is 3 Arthur Street, Clarkston, Glasgow, United Kingdom, G76 8BQ.

#### **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.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

During the year Westpoint Homes Limited was acquired by Westpoint Group Limited. The results of Westpoint Homes Limited are included in the consolidated financial statements of its former parent, WPH (Land) Limited, until the date of sale. Thereafter its results are included in the consolidated financial statements of Westpoint Group Limited.

Consolidated financial statements are available from 3 Arthur Street, Clarkston, Glasgow, G76 8BQ.

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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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 company's ability to meet its liabilities as they fall due.

The company meets its day to day working capital requirements through related party funding and bank finance.

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 influences the property and construction market moving forward. However, to date the company has largely seen a positive impact on its operations with the property market in Scotland buoyant on the back of pent up customer demand following government enforced lockdowns.

The current and future financial position of the company, its cash flows and liquidity have been reviewed by the directors. This included reviewing the projected profitability of all ongoing and proposed developments.

Following this review, the directors have a reasonable expectation that the company has adequate resources to continue in operational existences for the foreseeable future. The company has also obtained assurances that its related party undertakings will continue to provide such financial support as necessary to facilitate its long-term objectives.

Accordingly, the directors consider it appropriate to prepare the financial statements on the 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.

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

Turnover from the sale of properties is recognised when the significant risks and rewards of ownership of the property have passed to the buyer (usually upon legal completion), the amount of revenue can be measured reliably, it is probable that the 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.

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

#### 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:

|                   |            |
|-------------------|------------|
| Freehold property | 2% on cost |
|-------------------|------------|

#### 1.5 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.

#### 1.6 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 Stocks

Work in progress is represented by costs incurred, net of amounts transferred to cost of sales, after deducting foreseeable losses.

The company capitalises borrowing costs and loan interest incurred during the development or re-development of properties to be sold in work in progress. On completion of the development or re-development, such costs cease to be included in work in progress.

Borrowing and interest costs are not capitalised in work in progress during extended periods in which active development is interrupted.



# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

#### 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.

##### **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.

##### **Other financial assets**

Other financial assets are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

##### **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.

##### **Other financial liabilities**

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 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.

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 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.

#### Accounting for work in progress

Work in progress is carried at the lower of cost and net releasable value. Calculation of the net realisable value requires management to use estimates regarding future selling prices and other projections which include a degree of uncertainty, particularly in relation to projects in the early stages of development.

#### Fair value of financial instruments

Non basic financial instruments are carried at fair value through profit and loss. Calculation of the fair value is based on management's best estimate regarding expected development profit, appropriate interest rates and discount rates. These estimates include a degree of uncertainty, particularly in relation to final projected profits during the early stages of development.

### 3 Employees

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

|       | 2020<br>Number    | 2019<br>Number    |
|-------|-------------------|-------------------|
| Total | 5                 | 5                 |
|       | <u>          </u> | <u>          </u> |

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 4 Tangible fixed assets

|   | Land and buildings<br>£ |
|---|-------------------------|
| <b>Cost</b>                             |                         |
| At 1 October 2019                       | -                       |
| Additions                               | 400,000                 |
|   | <hr/>                   |
| At 30 September 2020                    | 400,000                 |
|   | <hr/>                   |
| <b>Depreciation and impairment</b>      |                         |
| At 1 October 2019 and 30 September 2020 | -                       |
|   | <hr/>                   |
| <b>Carrying amount</b>                  |                         |
| At 30 September 2020                    | 400,000                 |
|   | <hr/>                   |
| At 30 September 2019                    | -                       |
|   | <hr/>                   |

### 5 Fixed asset investments

|  | 2020<br>£ | 2019<br>£ |
|--|-----------|-----------|
| Shares in group undertakings and participating interests | -         | 1,101     |
|  | <hr/>     | <hr/>     |

#### Movements in fixed asset investments

|                          | Shares in group undertakings<br>£ |
|--------------------------|-----------------------------------|
| <b>Cost or valuation</b> |                                   |
| At 1 October 2019        | 1,101                             |
| Disposals                | (1,101)                           |
|                          | <hr/>                             |
| At 30 September 2020     | -                                 |
|                          | <hr/>                             |
| <b>Carrying amount</b>   |                                   |
| At 30 September 2020     | -                                 |
|                          | <hr/>                             |
| At 30 September 2019     | 1,101                             |
|                          | <hr/>                             |

The company transferred its shareholdings in its subsidiary companies to WPH (Land) Limited during the year. At the year end the company held no subsidiaries.

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 6 Stocks

|        | 2020<br>£ | 2019<br>£ |
|--------|-----------|-----------|
| Stocks | 6,911,055 | 3,506,382 |

Included within work in progress is £1,312,831 (2019 - £1,127,481) in respect of capitalised borrowing costs.

### 7 Debtors

|   | 2020<br>£        | 2019<br>£        |
|---|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Amounts owed by group undertakings          | 547,404          | 1,602,197        |
| Other debtors                               | 1,525,364        | 346,560          |
|   | <u>2,072,768</u> | <u>1,948,757</u> |

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

|                                    | 2020<br>£        | 2019<br>£        |
|------------------------------------|------------------|------------------|
| Bank loans                         | 2,553,006        | -                |
| Trade creditors                    | 858,429          | 241,853          |
| Amounts owed to group undertakings | 2,837,261        | -                |
| Corporation tax                    | 33,488           | 33,488           |
| Other creditors                    | 1,998,086        | 5,331,108        |
|                                    | <u>8,280,270</u> | <u>5,606,449</u> |

The company's facility in respect of their Thorntonhall development is secured by 1st ranking security over the development, a floating charge over all the assets of the company and a costs overrun guarantee from Mr S Cullis.

Loans from West High Investments Limited, which are included in Other creditors, are secured by standard security and a floating charge over the underlying development being funded.

### 9 Creditors: amounts falling due after more than one year

|                 | 2020<br>£ | 2019<br>£ |
|-----------------|-----------|-----------|
| Other creditors | -         | 1,431,935 |

# WESTPOINT HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 10 Called up share capital

|                                  | 2020  | 2019  |
|----------------------------------|-------|-------|
|                                  | £     | £     |
| <b>Ordinary share capital</b>    |       |       |
| <b>Issued and fully paid</b>     |       |       |
| 1,500 Ordinary Shares of £1 each | 1,500 | 1,500 |

There is one class of ordinary share with equal voting rights. There are no restrictions on the distribution of dividends and repayment of capital.

### 11 Profit and loss reserves

|                              | 2020        | 2019        |
|------------------------------|-------------|-------------|
|                              | £           | £           |
| At the beginning of the year | (1,212,365) | (2,406,811) |
| Profit for the year          | 2,374,906   | 1,194,446   |
| At the end of the year       | 1,162,541   | (1,212,365) |

### 12 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 Alan Brown.

The auditor was Azets Audit Services.

### 13 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

|                                      | <b>Purchase of construction services</b> |                |
|--------------------------------------|--|----------------|
|                                      | 2020                                     | 2019           |
|                                      | £  | £              |
| Companies with director(s) in common | 3,075,269                                | 21,763         |
|                                      | <u>3,075,269</u>                         | <u>21,763</u>  |
|                                      | <b>Finance costs recognised</b>          |                |
|                                      | 2020                                     | 2019           |
|                                      | £  | £              |
| Companies with director(s) in common | 110,683                                  | 895,545        |
|                                      | <u>110,683</u>                           | <u>895,545</u> |

## WESTPOINT HOMES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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#### 13 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

|                                      | 2020              | 2019              |
|--------------------------------------|-------------------|-------------------|
| Amounts due to related parties       | £                 | £                 |
| Companies with director(s) in common | 13,960            | 5,050,618         |
|                                      | <u>          </u> | <u>          </u> |

The following amounts were outstanding at the reporting end date:

|                                      | 2020              | 2019              |
|--------------------------------------|-------------------|-------------------|
| Amounts due from related parties     | £                 | £                 |
| Companies with director(s) in common | 1,147,355         | -                 |
|                                      | <u>          </u> | <u>          </u> |

The company is a wholly owned subsidiary of Westpoint Group Limited and as permitted by exemption under the terms of FRS 102 has made no disclosure of transactions with wholly owned subsidiaries within the group.

#### 14 Parent company

During the year the company was acquired by Westpoint Group Limited.

Westpoint Group Limited, a company incorporated and registered in Scotland under number SC498194, is the ultimate parent undertaking of the company. Copies of the accounts for the parent company can be obtained from 3 Arthur Street, Clarkston, Glasgow.

Westpoint Group Limited is controlled by Mr S Cullis, by virtue of his shareholding in that company.

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.