

Company Registration No. SC153660 (Scotland)

ACRE LETTINGS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019
PAGES FOR FILING WITH REGISTRAR

ACRE LETTINGS LIMITED

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ACRE LETTINGS LIMITED

BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	4		78,212		88,667
Investment properties	5		5,231,750		5,231,750
			<u>5,309,962</u>		<u>5,320,417</u>
Current assets					
Debtors	6	3,000		3,000	
Cash at bank and in hand		27		34	
		<u>3,027</u>		<u>3,034</u>	
Creditors: amounts falling due within one year	7	(268,673)		(272,426)	
Net current liabilities			(265,646)		(269,392)
Total assets less current liabilities			<u>5,044,316</u>		<u>5,051,025</u>
Creditors: amounts falling due after more than one year	8		(2,343,284)		(2,458,632)
Provisions for liabilities			<u>(328,113)</u>		<u>(328,973)</u>
Net assets			<u><u>2,372,919</u></u>		<u><u>2,263,420</u></u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves			<u>2,372,819</u>		<u>2,263,320</u>
Total equity			<u><u>2,372,919</u></u>		<u><u>2,263,420</u></u>

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

For the financial year ended 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

ACRE LETTINGS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2019

The financial statements were approved and signed by the director and authorised for issue on 23 April 2020

John Corrigan

Director

Company Registration No. SC153660

ACRE LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Acre Lettings Limited is a private company limited by shares incorporated in Scotland. The registered office is 6 Stanlane Place, Largs, KA30 8DA.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for the rental of properties and for services in relation to property management for third parties. It is measured at the fair value of consideration received or receivable and represents amounts receivable net of discounts and value added tax.

The company recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity. This typically happens on completion of payment of rent and completion of management services performed.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill has been fully amortised.

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:

Land and Buildings Freehold	nil
Property improvements	7.5% reducing balance
Office equipment	25% straight line
Computer equipment	Enter depreciation rate via StatDB - cd198
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ACRE LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

1.7 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.

1.8 Financial instruments

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

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.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Any impairment loss is recognised in the profit and loss account. Subsequent reversals are reversed recognised in profit and loss but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years.

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.

ACRE LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

1.9 Equity instruments

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

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits including holiday pay are recognised as a liability and an expense.

1.12 Retirement benefits

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

ACRE LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2018 - 4).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 August 2018 and 31 July 2019	7,000
Amortisation and impairment	
At 1 August 2018 and 31 July 2019	7,000
Carrying amount	
At 31 July 2019	-
At 31 July 2018	-

4 Tangible fixed assets

	Land and Buildings Freehold £	Property improvements £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 August 2018 and 31 July 2019	50,000	118,600	7,036	(1)	37,161	212,796
Depreciation and impairment						
At 1 August 2018	-	93,319	4,715	-	26,095	124,129
Depreciation charged in the year	-	5,930	1,759	-	2,766	10,455
At 31 July 2019	-	99,249	6,474	-	28,861	134,584
Carrying amount						
At 31 July 2019	50,000	19,351	562	(1)	8,300	78,212
At 31 July 2018	50,000	25,281	2,320	-	11,066	88,667
Last year c/fwd cost	50,000	118,600	7,036	-	37,161	
Differs from this year b/fwd by	-	-	-	(1)	-	
Last year c/fwd depreciation	-	93,319	4,716	-	26,095	
Differs from this year b/fwd by	-	-	(1)	-	-	

ACRE LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

5 Investment property

	2019 £
Fair value	
At 1 August 2018 and 31 July 2019	5,231,750

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	3,000	3,000

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	179,217	186,223
Trade creditors	10,345	15,252
Corporation tax	34,973	10,846
Other taxation and social security	2,303	1,733
Other creditors	41,835	58,372
	268,673	272,426

8 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	1,865,237	1,961,559
Other creditors	478,047	497,073
	2,343,284	2,458,632

The bank borrowing is secured over the properties held by the company. The value of these properties in the accounts totals £3,925,000 (2018 - £3,925,000).

There is also a security held by third party over five properties. The value of these properties in the accounts totals £480,000 (2018 - £480,000).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

9	Called up share capital	2019	2018
		£	£
	Ordinary share capital		
	Issued and fully paid		
	100 Ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>

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.