

COMPANIES HOUSE

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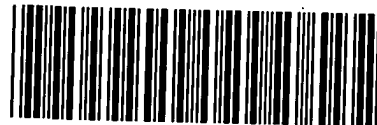
GAP Group Properties Limited

**Directors' report and financial
statements**

Registered number SC159415

31 March 2022

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COMPANIES HOUSE

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Directors' Report

The directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The company is a property investment company.

Business review

During the year, the company made a profit after tax of £408,000 (2021: £443,000). The properties held within GAP Group Properties Ltd are used for the trading purposes of GAP Group Ltd and GAP Vehicle Hire Ltd.

No distributions were paid in the year (2021: £1,736,000). No final dividend has been proposed.

Going concern

The directors believe that due to its position within the GAP Group the company is well placed to manage its business risks successfully and therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Directors

The directors of the company during the year and to the date of this report were:

D G Anderson
I M Anderson
CAG Parr

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

During the year, KPMG resigned and RSM UK Audit LLP were proposed for appointment as auditors in accordance with the Companies Act.

The auditors, RSM UK Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

By order of the board

Douglas Anderson

D G Anderson
Secretary

Carrick House
40 Carrick Street
Glasgow
G2 8DA

01/07/22

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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).

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 of the company and of the 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 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.

Independent Auditor's Report to the Members of GAP Group Properties Ltd

Opinion

We have audited the financial statements of GAP Group Properties Ltd (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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. 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 at least twelve 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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this gives rise to 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 this 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:

- 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.

Independent Auditor's Report to the Members of GAP Group Properties Ltd

(continued)

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

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.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

Independent Auditor's Report to the Members of GAP Group Properties Ltd

(continued)

The extent to which the audit was considered capable of detecting irregularities, including fraud *(continued)*

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with the local tax authorities and evaluating advice received from tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and employment legislation. We performed audit procedures to inquire of management and those charged with governance whether the entity is in compliance with these laws and regulations, inspected board meetings for health and safety instance and consulted with an internal expert to review compliance with employment legislation.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to using data analytics to test transactions impacting revenue that do not follow the usual transaction flow, testing revenue transactions recorded near to the year end and ensuring that they have been recorded in the correct period, testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in the valuation of investments using the assistance of a valuation specialist.

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

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.

K Morrison

Katie Morrison (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor Centenary House
69 Wellington Street
Glasgow
G2 6HG

01/07/22

Profit and Loss Account
for year ended 31 March 2022

	<i>Note</i>	2022 £000	2021 £000
Turnover	2	4,824	3,735
Other operating expenses		(2,960)	(2,100)
		<hr/>	<hr/>
Operating profit	4	1,864	1,635
Interest payable	3	(880)	(777)
		<hr/>	<hr/>
Profit before taxation		984	858
Tax charge on profit	7	(576)	(415)
		<hr/>	<hr/>
Profit after taxation for the financial year		408	443
		<hr/> <hr/>	<hr/> <hr/>

There is no other comprehensive income, other than the profit shown above.

All activities in 2022 are continuing.

Balance Sheet
at 31 March 2022

	<i>Note</i>	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	8		59,097		48,683
Investment properties	9		569		1,264
			<u>59,666</u>		<u>49,947</u>
Current assets					
Debtors	10	154		40	
Cash at bank and in hand		237		68	
		<u>391</u>		<u>108</u>	
Creditors: amounts falling due within one year	11	<u>(52,005)</u>		<u>(42,706)</u>	
Net current liabilities			<u>(51,614)</u>		<u>(42,598)</u>
Total assets less current liabilities			<u>8,052</u>		<u>7,349</u>
Provisions for liabilities – deferred tax	12		<u>(588)</u>		<u>(293)</u>
Net assets			<u>7,464</u>		<u>7,056</u>
Capital and reserves					
Called up share capital	13		-		-
Profit and loss account			7,464		7,056
Shareholders' funds			<u>7,464</u>		<u>7,056</u>

These financial statements were approved by the board of directors on 01/07/22 and were signed on its behalf by:

Douglas Anderson

Douglas Anderson
Director



Iain Anderson
Director

Company registered number: SC159415

Statement of Changes in Equity

	Called up share capital £000	Profit & loss account £000	Total equity £000
Balance at 1 April 2020	-	8,349	8,349
Total comprehensive income for the period			
Profit for the year	-	443	443
Transactions with owners, recorded directly in equity			
Distributions (additional payment in respect of properties)	-	(1,736)	(1,736)
Balance at 31 March 2021	-	7,056	7,056
	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2021	-	7,056	7,056
Total comprehensive income for the period			
Profit for the year	-	408	408
Balance at 31 March 2022	-	7,464	7,464

Notes

(forming part of the financial statements)

1 Accounting policies

1.1 General information

GAP Group Properties Limited (the "Company") is a private company limited by shares and incorporated and domiciled in Scotland in the UK. The registered number is SC159415 and the registered address is Carrick House, 40 Carrick Street, Glasgow G2 8DA.

1.2 Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, GAP Holdings Limited includes the Company in its consolidated financial statements. The consolidated financial statements of GAP Holdings Limited are available to the public and may be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

In the opinion of the directors, there are no aspects of the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

1.3 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: investment properties.

1.4 Going concern

GAP Group Properties Ltd is a subsidiary of GAP Holdings Ltd. GAP Holdings Ltd is funded through a combination of a revolving ABL credit facility, which is in place until September 2025, and hire purchase arrangements. The ABL facility is in the name of GAP Holdings Ltd and that is why the entity is based on the ability of GAP Holdings Ltd to continue trading. GAP Group Properties Limited is party to the facilities within GAP Group Limited with cross guarantees being in place between the companies. Consequently, the ability of the company to continue as a going concern is based on the ability of GAP Holdings Ltd to continue as a going concern.

Management has produced forecasts for both GAP Group Properties Ltd and GAP Holdings Ltd that have been extended out beyond 12 months from the signing date of these financial statements and these forecasts have been reviewed by the Board of Directors. The forecasts demonstrate that both Properties and Holdings will generate cash and profits in the year ending 31 March 2023 and beyond. The directors believe that due to its position with GAP Holdings the company is well placed to manage its business risks successfully.

The projections have been stress tested to factor in inflationary and interest rate increases due to the current economic conditions that the business faces. After reviewing these projections, the directors believe that, in the current economic environment, the Group and Company are well placed to continue in operational existence for the foreseeable future.

As such, the directors are satisfied that the company has adequate resource to pay its liabilities as they fall due and continue operate for the foreseeable future. For this, they continue to adopt the going concern basis for preparing these financial statements.

Notes (continued)

1 Accounting policies (continued)

1.5 Basic financial instruments

Trade, group and other debtors/creditors

Trade, group and other debtors are recognised initially at transaction price less attributable transaction costs. Trade, group and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at an estimate of the market rate for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest rates method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

1.6 Turnover

Turnover represents amounts invoiced to tenants for rent of properties excluding value added tax.

1.7 Expenses

Interest payable

Interest payable is recognised in profit or loss as it accrues, using the effective interest rate method.

1.8 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. The Directors review the value based on the current underlying market performance and long-term use of the properties. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and

ii. no depreciation is provided in respect of investment properties applying the fair value model.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Notes (continued)

1 Accounting policies (continued)

1.9 Taxation (continued)

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land and buildings - short leasehold - 4%

2 Turnover

Turnover represents amounts invoiced to tenants for rent of UK properties, excluding value added tax.

3 Interest payable

	2022 £000	2021 £000
Group Loan interest payable	(880)	(777)

4 Operating profit

Included in operating profit are the following:

	2022 £000	2021 £000
Depreciation of tangible fixed assets	1,065	955
Profit/(loss) on sale of investment property	(13)	-
Profit/(loss) on sale of tangible fixed assets	(141)	-
Impairment of investment properties	400	400

5 Auditor's remuneration

	2022 £000	2021 £000
Fees payable to current auditors	9	-
Fees payable to previous auditors	-	8

6 Staff and directors

The company has no employees. The directors receive no remuneration from the company. The directors are remunerated by another group company for all material qualifying services.

Notes (continued)

7 Taxation

Analysis of charge in year

	2022 £000	2021 £000
<i>UK corporation tax</i>		
- current tax on income for the year	379	423
- current tax on income for the year – group relief	(24)	-
- adjustments in respect of prior periods	(20)	-
- adjustments in respect of prior periods – group relief	(54)	(235)
Total current tax	281	188
<i>Deferred tax (see note 12)</i>		
Origination and reversal of timing differences	181	13
Under provided in prior years	17	214
Effect of tax rate change on opening balance	97	-
Total deferred tax	295	227
Total tax charge	576	415

Reconciliation of effective tax rate

	2022 £000	2021 £000
Profit before tax	984	858
Current tax at 19% (2021: 19%)	187	163
<i>Effects of:</i>		
Permanent asset differences	224	171
Expenses not deductible for tax purposes	105	102
Other timing differences	(24)	-
Adjustments to tax charge in respect of previous periods	(57)	(21)
Effect of rate change	141	-
Total tax charge	576	415

Factors affecting the future current and total tax charges

As part of the UK Budget in March 2021, changes to the UK corporation tax rates were announced including confirmation that the UK corporation tax rate will increase from 19% to 25% from 1 April 2023. Opening deferred tax has been adjusted to account for the increase from 19% to 25%.

Notes (continued)

7 Taxation (continued)

	Current tax £000	2022 Deferred tax £000	Total tax £000	Current tax £000	2021 Deferred tax £000	Total tax £000
Recognised in Profit and Loss account	281	295	576	188	227	415

8 Tangible fixed assets

	Freehold land and buildings – short leasehold £000
Cost	
Balance at 1 April 2021	52,437
Additions	11,655
Disposals	(188)
Balance at 31 March 2022	63,904
Depreciation	
Balance at 1 April 2021	3,754
Depreciation charge for the year	1,065
Disposals	(12)
Balance at 31 March 2022	4,807
Net book value	
At 1 April 2021	48,683
At 31 March 2022	59,097

9 Investment property

	£000
Balance at 1 April 2021	1,264
Disposals	(295)
Impairment	(400)
Balance at 31 March 2022	569

No item of investment property in the year was valued by an external, independent valuer. The directors value the portfolio every year.

Notes (continued)

10 Debtors

	2022 £000	2021 £000
Trade Debtors	42	40
Prepayments	112	-
	<u>154</u>	<u>40</u>

11 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Amounts due to group companies	51,397	42,175
Accruals and deferred income	608	531
	<u>52,005</u>	<u>42,706</u>

Interest is charged at 2.1% on the inter group balance and there is no fixed repayment arrangement.

RBS have a floating charge over the assets of the company which is in relation to the ABL facility that is in place until September 2025.

12 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Accelerated capital allowances	-	-	(588)	(295)	(588)	(295)
Capital gains	-	2	-	-	-	2
	<u>-</u>	<u>2</u>	<u>(588)</u>	<u>(295)</u>	<u>(588)</u>	<u>(293)</u>
Tax assets/(liabilities)	-	2	(588)	(295)	(588)	(293)
Tax assets offset	-	(2)	-	2	-	-
	<u>-</u>	<u>-</u>	<u>(588)</u>	<u>(293)</u>	<u>(588)</u>	<u>(293)</u>
Net tax liabilities	-	-	(588)	(293)	(588)	(293)

Notes (continued)

12 Deferred tax assets and liabilities (continued)

	2022	2021
	£	£
At beginning of year	(293)	(65)
(Charged) to the profit and loss account	(295)	(228)
At end of year	(588)	(293)

13 Share capital

	2022	2021
	£	£
<i>Allotted, called up and fully paid</i>		
2 Ordinary shares of £1 each	2	2

14 Related parties

Related parties comprise wholly owned Group companies. Transactions with related parties were carried out at arms-length agreed terms, conditions and prices. The company has taken advantage of the exemption within FRS 102

Section 33 paragraph 33.1A from the requirements to disclose transactions with other wholly owned companies in the same group.

15 Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The judgements, estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following accounting policies and judgements are limited to those items that would be most likely to produce materially different results were the underlying judgements, estimates and assumptions changed:

Tangible fixed assets:

In relation to the Company's tangible fixed assets (note 8), useful economic lives and residual values of assets have been established using historical experience and an assessment of the nature of the assets involved. Both useful economic lives and residual values are reviewed on a regular basis.

16 Ultimate holding company

The company's immediate holding company is GAP Group Limited which is incorporated in Great Britain and registered in Scotland. The consolidated accounts of GAP Group Limited are available to the public and may be obtained at Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

The company's ultimate holding company is GAP Holdings Limited. This is the largest group in which the results of the company are consolidated. The consolidated accounts of GAP Holdings Limited are available to the public and may be obtained at Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.