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Gael Force Properties and Investments Limited
Previously known as
Gael Force Properties Limited
Strategic Report, Report of the Directors and
Audited Financial Statements for the year ended 31 December 2013

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GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED
PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED

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for the Year Ended 31 December 2013

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Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Company Information
for the Year Ended 31 December 2013

DIRECTORS: S Graham
T R H Phillips FCA

SECRETARY: T R H Phillips FCA

REGISTERED OFFICE: 136 Anderson Street
Inverness
IV3 8DH

REGISTERED NUMBER: SC254127 (Scotland)

AUDITORS: Mann Judd Gordon Ltd
Registered Auditors &
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED
PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED

STRATEGIC REPORT
for the Year Ended 31 December 2013

During the year under review Gael Force Properties & Investments Limited continued its business as the vehicle for the property ownership and rental activities carried out by the Gael Force family of companies.

The Gael Force 'family' of companies had the name 'Gael Force' in common and were, from May 2013, wholly under common ownership. They shared administrative and management resources but were not constituted as a conventional corporate group, on a 'parent company'/wholly owned subsidiary basis.

This changed on November 8th 2013, when, as a result of a number of share issues and share-for-share swaps, the Gael Force Group came into existence. On that date, alongside other transfers of ownership, Gael Force Properties and Investments Limited became a wholly owned subsidiary of Gael Force Group Limited.

A driving force behind this move was the desire to bring together like activities in separate group companies and to prepare the group corporate structure for the delivery of very significant growth plans over coming years.

Following the change of ownership described above, the holding of listed investments, previously undertaken in Gael Force Marine Equipment was transferred to Gael Force Properties and Investments Limited.

The company's turnover, derived solely from rental income, amounted to £302,400. Profit for the financial year, after taxation, was £135,986.

During the year, the company's ownership of its principal site at Anderson Street, Inverness was consolidated by the acquisition of land and buildings adjacent to that already owned.

ON BEHALF OF THE BOARD:


.....
S Graham - Director

Date: 29/9/2014

GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2013**

The directors present their report with the financial statements of the company for the year ended 31 December 2013.

CHANGE OF NAME

The company passed a special resolution on 22 November 2013 changing its name from Gael Force Properties Limited to Gael Force Properties And Investments Limited.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2013 will be £170,661.

DIRECTORS

S Graham has held office during the whole of the period from 1 January 2013 to the date of this report.

Other changes in directors holding office are as follows:

T R H Phillips FCA - appointed 21 November 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

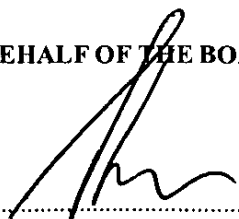
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
S Graham - Director

Date: 29/9/2014

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GAEL FORCE PROPERTIES AND INVESTMENTS
LIMITED**

We have audited the financial statements of Gael Force Properties And Investments Limited for the year ended 31 December 2013 on pages six to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

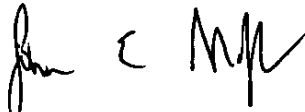
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GAEL FORCE PROPERTIES AND INVESTMENTS
LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



John E Moffat BA FCA (Senior Statutory Auditor)
for and on behalf of Mann Judd Gordon Ltd
Registered Auditors &
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Date: 29 September 2014

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Income Statement
for the Year Ended 31 December 2013

| | Notes | 31.12.13 £ | 31.12.12 £ |
|--|-------|-----------------------|-----------------------|
| Turnover | | 302,400 | 288,000 |
| Administrative expenses | | <u>67,166</u> | <u>3,957</u> |
| | | 235,234 | 284,043 |
| Other operating income | | <u>-</u> | <u>2,300</u> |
| Operating Profit | 3 | 235,234 | 286,343 |
| Interest payable and similar charges | 4 | <u>37,189</u> | <u>21,917</u> |
| Profit on ordinary activities before taxation | | 198,045 | 264,426 |
| Tax on profit on ordinary activities | 5 | <u>62,059</u> | <u>58,802</u> |
| Profit for the financial year | | <u>135,986</u> | <u>205,624</u> |

Continuing Operations

None of the company's activities were acquired or discontinued during the current year or previous year.

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Statement of Other Comprehensive Income
for the year ended 31 December 2013

| | 31.12.13 | 31.12.12 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Profit for the financial year | 135,986 | 205,624 |
| Unrealised deficit on revaluation of properties | (19,801) | - |
| | <hr/> | <hr/> |
| Total recognised gains and losses relating to the year | <u>116,185</u> | <u>205,624</u> |

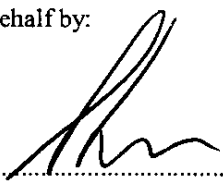
**Gael Force Properties and Investments Limited (Registered Number: SC254127)
Previously known as Gael Force Properties Limited**

**STATEMENT OF FINANCIAL POSITION
31 December 2013**

| | Notes | 31.12.13 £ | 31.12.12 £ |
|--|-------|-----------------------|-----------------------|
| FIXED ASSETS | | | |
| Property, plant and equipment | 7 | 1,991,280 | 1,489,333 |
| Financial assets | 8 | <u>502,289</u> | <u>-</u> |
| | | 2,493,569 | 1,489,333 |
| CURRENT ASSETS | | | |
| Debtors | 9 | 31,546 | 21,266 |
| Cash at bank | | <u>100</u> | <u>-</u> |
| | | 31,646 | 21,266 |
| CREDITORS | | | |
| Amounts falling due within one year | 10 | <u>1,291,778</u> | <u>289,021</u> |
| NET CURRENT LIABILITIES | | (1,260,132) | (267,755) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,233,437 | 1,221,578 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 11 | <u>910,955</u> | <u>844,620</u> |
| NET ASSETS | | <u>322,482</u> | <u>376,958</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 14 | 1 | 1 |
| Revaluation reserve | | 308,391 | 328,192 |
| Profit and loss account | | <u>14,090</u> | <u>48,765</u> |
| SHAREHOLDERS' FUNDS | | <u>322,482</u> | <u>376,958</u> |

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 29/9/2014 and were signed on its behalf by:


S Graham - Director

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Statement of Changes in Equity
for the year ended 31 December 2013

| | Share Capital £ | Revaluation Reserve £ | Retained Profits £ | Total £ |
|------------------------------------|-----------------------|-----------------------------|--------------------------|----------------|
| Balance at 1 January 2012 | 1 | 328,192 | (32,428) | 295,765 |
| Value adjustments | - | - | - | - |
| Profit for the year | - | - | 205,624 | 205,624 |
| Dividends | - | - | (124,431) | (124,431) |
| Balance at 31 December 2012 | 1 | 328,192 | 48,765 | 376,958 |
| Value adjustments | - | (19,801) | - | (19,801) |
| Profit for the year | - | - | 135,986 | 135,986 |
| Dividends | - | - | (170,661) | (170,661) |
| Balance at 31 December 2013 | 1 | 308,391 | 14,090 | 322,482 |

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Statement of Cash Flows
for the Year ended 31 December 2013

| | 31.12.13 | | 31.12.12 | |
|--|----------------|--------------------|----------------|------------------|
| | £ | £ | £ | £ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating profit | 235,234 | | 286,343 | |
| Profit on sale of property, plant and equipment | (2,000) | | (16,096) | |
| (Increase)/decrease in debtors | (10,280) | | 1,653 | |
| Decrease in creditors | - | | (82) | |
| Cash from operations | 222,954 | | 271,818 | |
| Interest paid | (37,189) | | (21,917) | |
| Tax (Paid)/ Received | (24,941) | | 354 | |
| Net cash generated from operating activities | | 160,824 | | 250,255 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of land, property, plant and equipment | (521,748) | | (19,333) | |
| Purchase of financial assets | (502,289) | | - | |
| Sale of property, plant and equipment | 2,000 | | 128,086 | |
| Net cash generated / (expended) from investing activities | | (1,022,037) | | 108,753 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Term loan received in year | 700,000 | | - | |
| Loan repayments in year | (254,320) | | (194,404) | |
| Group company loan receipt /(repaid) | 586,294 | | (40,173) | |
| Dividends paid | (170,661) | | (124,431) | |
| Net cash expended from financing activities | | 861,313 | | (359,008) |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | | 100 | | - |
| Cash and cash equivalents at the beginning of the year | | - | | - |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | | 100 | | - |
| COMPONENTS OF CASH AND CASH EQUIVALENTS | | | | |
| Cash | | 100 | | - |

GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED
PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2013

1. ACCOUNTING POLICIES

Compliance with accounting standards

The accounts have been prepared in accordance with Financial Reporting Standard (FRS) 102. There were no material departures from that standard.

Basis of preparation of financial statements

These financial statements for the year ended 31 December 2013 are the first financial statements that comply with FRS 102. The date of transition is 1 January 2012.

The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit for the comparative period are explained in notes below.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed and investment assets. The presentation currency is £ sterling.

Turnover

Turnover represents the value of rents charged to tenants during the year, excluding value added tax.

Property, plant and equipment

Land and property is recorded at market value in the financial statements. Changes in market value are recognised in the Statement of comprehensive income, and reflected in the revaluation reserve within equity.

Plant and equipment are recorded at cost, and are depreciated over their estimated useful lives.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Income recognition

Rental income is recognised as it falls due to be paid by the tenants.

Where lease incentives are offered, these are recognised over the life of the lease.

Listed investments

Listed investments are recorded at market value in the financial statements. Changes in market value are recognised in the Income Statement as Value adjustments.

2. STAFF COSTS

There were no staff costs for the year ended 31 December 2013 nor for the year ended 31 December 2012.

GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED
PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2013

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 31.12.13 £ | 31.12.12 £ |
|------------------------------------|----------------|-----------------|
| Profit on disposal of fixed assets | <u>(2,000)</u> | <u>(16,096)</u> |
| Directors' remuneration | <u>-</u> | <u>-</u> |

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | 31.12.13 £ | 31.12.12 £ |
|--------------------|---------------|---------------|
| Bank loan interest | 37,189 | 21,663 |
| Interest on tax | <u>-</u> | <u>254</u> |
| | <u>37,189</u> | <u>21,917</u> |

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

| | 31.12.13 £ | 31.12.12 £ |
|--------------------------------------|---------------|---------------|
| Current tax: | | |
| UK corporation tax | <u>62,059</u> | <u>58,802</u> |
| Tax on profit on ordinary activities | <u>62,059</u> | <u>58,802</u> |

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 31.12.13 £ | 31.12.12 £ |
|--|----------------|----------------|
| Profit on ordinary activities before tax | <u>198,045</u> | <u>264,426</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2012 - 24%) | 45,550 | 63,462 |
| Effects of: | | |
| Expenses not deductible for tax purposes | - | 24 |
| Capital allowances in excess of depreciation | (5,021) | (720) |
| Difference between profit on disposal for accounting and tax purposes | - | (3,736) |
| Trading gain on appropriation of stock to fixed assets | 21,128 | - |
| Small companies marginal relief | (259) | (1,451) |
| Difference in tax rates | <u>661</u> | <u>1,223</u> |
| Current tax charge | <u>62,059</u> | <u>58,802</u> |

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

6. DIVIDENDS

| | 31.12.13 £ | 31.12.12 £ |
|----------------------|----------------|----------------|
| Ordinary share of £1 | | |
| Final | <u>170,661</u> | <u>124,431</u> |

7. PROPERTY, PLANT AND EQUIPMENT

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Totals £ |
|--------------------------|---------------------------|-----------------------------|------------------------|------------------|
| COST OR VALUATION | | | | |
| At 1 January 2013 | 1,489,333 | - | 38,551 | 1,527,884 |
| Additions | 520,468 | 1,280 | - | 521,748 |
| Disposals | - | - | (38,551) | (38,551) |
| Revaluations | (19,801) | - | - | (19,801) |
| At 31 December 2013 | <u>1,990,000</u> | <u>1,280</u> | <u>-</u> | <u>1,991,280</u> |
| DEPRECIATION | | | | |
| At 1 January 2013 | - | - | 38,551 | 38,551 |
| Eliminated on disposal | - | - | (38,551) | (38,551) |
| At 31 December 2013 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2013 | <u>1,990,000</u> | <u>1,280</u> | <u>-</u> | <u>1,991,280</u> |
| At 31 December 2012 | <u>1,489,333</u> | <u>-</u> | <u>-</u> | <u>1,489,333</u> |

Cost or valuation at 31 December 2013 is represented by:

| | Freehold property £ | Plant and machinery £ | Totals £ |
|-------------------|---------------------------|-----------------------------|------------------|
| Valuation in 2013 | 223,382 | - | 223,382 |
| Cost | <u>1,766,618</u> | <u>1,280</u> | <u>1,767,898</u> |
| | <u>1,990,000</u> | <u>1,280</u> | <u>1,991,280</u> |

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

7. PROPERTY, PLANT AND EQUIPMENT - continued

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

| | Motor vehicles £ |
|--------------------------|---------------------------------|
| COST OR VALUATION | |
| At 1 January 2013 | 38,551 |
| Disposals | <u>(38,551)</u> |
| At 31 December 2013 | - |
| DEPRECIATION | |
| At 1 January 2013 | 38,551 |
| Eliminated on disposal | <u>(38,551)</u> |
| At 31 December 2013 | - |
| NET BOOK VALUE | |
| At 31 December 2013 | <u>-</u> |
| At 31 December 2012 | <u>-</u> |

8. FINANCIAL ASSETS

| | Listed investments £ |
|-----------------------|-------------------------------------|
| COST | |
| Additions | <u>502,289</u> |
| At 31 December 2013 | <u>502,289</u> |
| NET BOOK VALUE | |
| At 31 December 2013 | <u>502,289</u> |

Market value of listed investments at 31 December 2013 - £502,289.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.13 £ | 31.12.12 £ |
|--------------------------------|-----------------------|-----------------------|
| VAT | 780 | - |
| Prepayments and accrued income | <u>30,766</u> | <u>21,266</u> |
| | <u>31,546</u> | <u>21,266</u> |

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

10. Creditors: Amounts falling due within one year

| | 31.12.13 | 31.12.12 |
|---|------------------|----------------|
| | £ | £ |
| Bank loans and overdrafts (see note 13) | 252,865 | 195,000 |
| Amounts owed to group undertakings | 907,774 | - |
| Tax | 120,862 | 83,744 |
| Accruals and deferred income | 593 | 593 |
| Deferred government grants | 9,684 | 9,684 |
| | <u>1,291,778</u> | <u>289,021</u> |

11. Creditors: Amounts falling due after more than one year

| | 31.12.13 | 31.12.12 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans (see note 13) | 910,955 | 523,140 |
| Amounts owed to group undertakings | - | 321,480 |
| | <u>910,955</u> | <u>844,620</u> |

12. Loans

An analysis of the maturity of loans is given below:

| | 31.12.13 | 31.12.12 |
|---|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>252,865</u> | <u>195,000</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>252,865</u> | <u>195,000</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>658,090</u> | <u>328,140</u> |

Gael Force Properties and Investments Limited
Previously known as Gael Force Properties Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

13. SECURED DEBTS

The following secured debts are included within creditors:

| | 31.12.13 | 31.12.12 |
|------------|------------------|----------------|
| | £ | £ |
| Bank loans | <u>1,163,820</u> | <u>718,140</u> |

The Bank loans are secured as follows:

Bond and Floating charge in favour of the Bank of Scotland dated 31 October 2006.

Standard Security over the property known as Warehouse, Offices and Land at 136 Anderson Street, Inverness, IV3 8DH in favour of the Bank of Scotland dated 4 January 2007

Standard Security over the subjects lying to the northwest of 136 Anderson Street, Inverness, IV3 8DH in favour of the Bank of Scotland plc dated 25 January 2013.

14. CALLED UP SHARE CAPITAL

Allotted and issued:

| Number: | Class: | Nominal value: | 31.12.13 | 31.12.12 |
|---------------------|-----------------|----------------|----------|----------|
| | | | £ | £ |
| 1 | Share capital 1 | £1 | 1 | - |
| (31.12.12 - NIL) | | | | |
| NIL | Share capital 2 | 0.01p | - | 1 |
| (31.12.12 - 10,000) | | | | |
| | | | <u>1</u> | <u>1</u> |

The 10,000 ordinary shares of £0.0001 per share have been consolidated into one ordinary share of £1.00 during the year ended 31 December 2013.

15. ULTIMATE PARENT COMPANY

Gael Force Group Limited is regarded by the directors as being the company's ultimate parent company.

Gael Force Group Limited prepares Consolidated Group Accounts.

16. RELATED PARTY DISCLOSURES

Gael Force Properties And Investments Limited was acquired by Gael Force Group Limited during the year, and is a wholly owned subsidiary.

During the year the company acquired land and property from a Trust related to Mr Stewart Graham, director. The land and property was acquired at full market value.

GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED
PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2013

17. ULTIMATE CONTROLLING PARTY

The controlling party is S Graham.

18. RECONCILIATION OF EQUITY

The effects of the transition to FRS 102 on the Balance Sheet at 1st January 2012, as previously stated, are as follows:

| | Note | At 1 January 2012 | | | At 31 December 2012 | | |
|---|-------|-----------------------------------|------------------------------|----------------------------------|-----------------------------------|------------------------------|-------------------------------|
| | | As previously reported £ | Effect of transition £ | FRS 102 (as restated) £ | As previously reported £ | Effect of transition £ | FRS 102 (as restated) £ |
| Fixed assets | 20(a) | 111,990 | 1470,000 | 1,581,990 | - | 1,489,333 | 1,489,333 |
| Current assets | 20(a) | 1,492,919 | (1,470,000) | 22,919 | 1,510,599 | (1,489,333) | 21,266 |
| Creditors: amounts due within one year | | 226,539 | - | 226,539 | 289,021 | - | 289,021 |
| Net current assets | | <u>1,266,380</u> | <u>1,470,000</u> | <u>(203,620)</u> | <u>1,221,578</u> | <u>1,489,233</u> | <u>(267,755)</u> |
| Total assets less current liabilities | | 1,378,370 | - | 1,378,370 | 1,221,578 | - | 1,221,578 |
| Creditors: amounts falling due after more than one year | | 1,082,605 | - | 1,082,605 | 844,620 | - | 844,620 |
| Net assets | | <u>295,765</u> | <u>-</u> | <u>295,765</u> | <u>376,958</u> | <u>-</u> | <u>376,958</u> |
| Capital and reserves | | <u>295,765</u> | <u>-</u> | <u>295,765</u> | <u>376,958</u> | <u>-</u> | <u>376,958</u> |

**GAEL FORCE PROPERTIES AND INVESTMENTS LIMITED
PREVIOUSLY KNOWN AS GAEL FORCE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2013**

19. RECONCILIATION OF PROFIT AND LOSS

The transition to FRS 102 has not resulted in the restatement of the profit and loss already reported for 2012.

Income from property rental was previously reported as other operating income, but is now reported as Turnover of the company following the adoption of FRS 102.

20. NOTES TO FRS 102 RECONCILIATIONS

(a) LAND AND PROPERTY

Gael Force Properties and Investments Limited previously recognised its land and property assets as stocks (inventories), on the basis that they were considered to be capable of development and sale in the future.

The land and property assets under FRS 102 are considered to be those which should be recognised as Property, plant and equipment, as they are used in the trades of the Gael Force Group of Companies, and are expected to be used for more than one period.

The stock (inventories) was previously recorded at valuation, and this opening valuation has been transferred to opening valuation of land and property as at 1 January 2012.