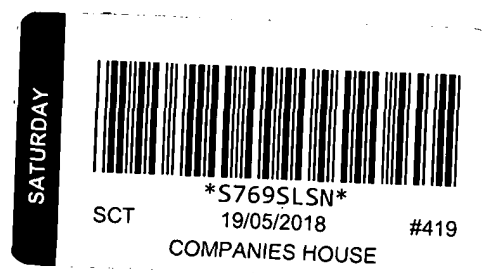


Kingseat Development 2 Limited
Filleted Unaudited Financial Statements
30 June 2017



WILLIAMSON & DUNN

Chartered Accountant
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Kingseat Development 2 Limited

Financial Statements

Year ended 30 June 2017

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Kingseat Development 2 Limited

Statement of Financial Position

30 June 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	2,950,000	2,950,000
Current assets			
Debtors	6	10,575	23,108
Cash at bank and in hand		<u>357,515</u>	<u>223,214</u>
		368,090	246,322
Creditors: amounts falling due within one year	7	<u>4,037,526</u>	<u>2,603,905</u>
Net current liabilities		3,669,436	2,357,583
Total assets less current liabilities		(719,436)	592,417
Creditors: amounts falling due after more than one year	8	–	1,362,500
Provisions			
Taxation including deferred tax		<u>87,473</u>	<u>81,948</u>
Net liabilities		<u>(806,909)</u>	<u>(852,031)</u>

The statement of financial position
continues on the following page.

The notes on pages 3 to 7 form part of these financial statements.

Kingseat Development 2 Limited

Statement of Financial Position *(continued)*

30 June 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		200	200
Profit and loss account		(807,109)	(852,231)
Shareholders deficit		<u>(806,909)</u>	<u>(852,031)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 18 May 2018, and are signed on behalf of the board by:



M Keith
Director

Company registration number: SC332764

The notes on pages 3 to 7 form part of these financial statements.

Kingseat Development 2 Limited

Notes to the Financial Statements

Year ended 30 June 2017

1. General information

The company is a private company limited by shares and is incorporated in Scotland. The address of the registered office is Morrison House, Kingseat Business Park, Newmachar, Aberdeenshire, AB21 0AZ.

The principal activity of the company during the year was that of property investment and letting.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment properties measured at fair value through profit or loss.

Going concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, included an assessment of uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on this assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Kingseat Development 2 Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experiences and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

(i) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Revenue recognition

Turnover represents the rental income from properties and is recognised in the period for which the rent is due.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost which is the purchase price plus any directly attributable costs. Subsequently the assets are stated at cost less any accumulated depreciation and impairment losses.

An increase or decrease in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in the profit and loss reserve.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Investment property	- Not depreciated
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Kingseat Development 2 Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in the statement of comprehensive income.

Deferred tax is provided on these gains at the rate expected to apply when the property is sold.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds only basic financial instruments which comprise cash and cash equivalents, bank loans, trade and other debtors and trade and other creditors. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments in full.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 0 (2016 - 0).

Kingseat Development 2 Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

5. Tangible assets

	Investment property £
Cost	
At 1 July 2016 and 30 June 2017	<u>2,950,000</u>
Depreciation	
At 1 July 2016 and 30 June 2017	<u>-</u>
Carrying amount	
At 30 June 2017	<u>2,950,000</u>
At 30 June 2016	<u>2,950,000</u>

Tangible assets held at valuation

The investment properties were valued on 29 March 2016 at fair value of £2,950,000 by independent consultants Knight Frank LLP. The director considers the fair value to be the same at the year end. The original cost of the investment properties was £4,076,340.

6. Debtors

	2017 £	2016 £
Trade debtors	<u>10,575</u>	<u>23,108</u>

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	1,362,500	412,500
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,631,339	2,171,039
Social security and other taxes	5,980	11,230
Other creditors	37,707	9,136
	<u>4,037,526</u>	<u>2,603,905</u>

8. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	-	1,362,500

The bank loan is secured by a Bond and Floating charge and a First Standard Security over the assets of the company.

Kingseat Development 2 Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 July 2015.

No transitional adjustments were required in equity or profit or loss for the year.