
BENSONS ESTATE AGENTS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 JUNE 2020

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	316,800	360,000
Tangible assets	5	45,053	51,093
		<u>361,853</u>	<u>411,093</u>
Current assets			
Debtors: amounts falling due within one year	6	33,607	73,121
Cash at bank and in hand		69,008	74,015
		<u>102,615</u>	<u>147,136</u>
Current liabilities			
Creditors: amounts falling due within one year	7	(401,060)	(304,646)
		<u>(298,445)</u>	<u>(157,510)</u>
Net current liabilities			
		<u>63,408</u>	<u>253,583</u>
Net assets			
Capital and reserves			
Called up share capital	8	442,100	442,100
Profit and loss account	9	(378,692)	(188,517)
		<u>63,408</u>	<u>253,583</u>

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2020

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Chisholm
Director

Date: 24 March 2021

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. General information

Bensons Estate Agents Limited is a private company (limited by shares) incorporated in Scotland, company number SC580183. The address of its principal place of business is Turcan Connell, Princess Exchange, 1 Earl Grey Street, Edinburgh, Scotland, EH3 9HE.

The principal activity of this company is that of an estate agent.

The functional currency of the company is pounds sterling as this is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors' have carefully considered the impact of COVID-19 on the business. The business operated remotely between March and April 2020 before reopening in May 2020. The Coronavirus Job Retention Scheme was utilised in order to protect cashflow during the downturn in activity. Overall, the directors are confident that the measures put in place will enable the business to endure until a level of trading normality is restored. The directors are confident that the business will continue over the next 12 months.

In the directors' opinion these financial statements should be prepared on the going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Government grants

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays. Of the offered schemes, the company used the furlough scheme and deferral of VAT payments. The income from the furlough scheme has been recognised within 'Other operating income'. They are recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)**2.15 Financial instruments (continued)**

out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2019 - 6).

4. Intangible assets

	Goodwill
	£
Cost	
At 1 July 2019 and 30 June 2020	432,000
Amortisation	
At 1 July 2019	72,000
Charge for the year	43,200
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At 30 June 2020	115,200
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Net book value	
At 30 June 2020	<hr/> <u>316,800</u>
At 30 June 2019	<hr/> <u>360,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

5. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 July 2019	60,592
Additions	11,780
	<hr/>
At 30 June 2020	72,372
	<hr/>
Depreciation	
At 1 July 2019	9,499
Charge for the year	17,820
	<hr/>
At 30 June 2020	27,319
	<hr/>
Net book value	
At 30 June 2020	<u>45,053</u>
At 30 June 2019	<u>51,093</u>

6. Debtors

	2020 £	2019 £
Trade debtors	23,147	44,416
Other debtors	9,845	13,507
Prepayments	615	15,198
	<hr/>	<hr/>
	<u>33,607</u>	<u>73,121</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

7. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	6,424	26,112
Amounts owed to related undertakings (note 12)	244,500	140,000
Other taxation and social security	-	2,007
Other creditors	147,136	133,902
Accruals	3,000	2,625
	<u>401,060</u>	<u>304,646</u>

8. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
80 Ordinary A shares of £1 each	80	80
10 Ordinary B shares of £1 each	10	10
10 Ordinary C shares of £1 each	10	10
442,000 Preference shares of £1 each	442,000	442,000
	<u>442,100</u>	<u>442,100</u>

The A Ordinary, B Ordinary, and C Ordinary shares constitute different classes of shares and the Directors' may declare dividends at different rates in respect of the different classes. Ordinary A, B, and C shares all confer full voting rights, while the Preference shares carry no voting rights and the holders shall not be entitled to attend any meetings of the members or counted in the quorum for members' meetings. The directors shall determine the terms, conditions and manner of redemption of the preference shares. Any holder of preference shares may at any time, by notice in writing to the company, require conversion of all of the preferred shares held by it at any time into ordinary shares.

9. Reserves

Profit and loss account

The reserves represents cumulative profits and losses.

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £13,252 (2019 - £7,001).

There were outstanding contributions payable to the fund at the year end of £2,504 (2019 - £nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

11. Commitments under operating leases

At 30 June 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020	2019
	£	£
Not later than 1 year	29,500	29,500
Later than 1 year and not later than 5 years	118,000	118,000
Later than 5 years	100,791	130,292
	<u>248,291</u>	<u>277,792</u>

12. Related party transactions

Included within creditors at 30 June 2020 is an amount of £244,500 (2019 - £140,000) owed to Premier Property Holdings and Letting Limited, a company in which A Chisholm and N J Chisholm are directors. This amount is unsecured, interest free and has no fixed terms of repayment.

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.