

FINANCIAL STATEMENTS
FOR THE PERIOD 1 MAY 2019 TO 30 JUNE 2020
FOR
SCOTIA (HIGHWOOD) LIMITED

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FOR THE PERIOD 1 MAY 2019 TO 30 JUNE 2020**

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SCOTIA (HIGHWOOD) LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 MAY 2019 TO 30 JUNE 2020**

DIRECTORS:

Mrs C Beaton
Mr R G Begbie
Mr P J Boyle
Mr W M Bruce
Mr D J Cameron
Mr G J Gerrard
Mr B R Linton
Mr A Lonie

SECRETARY:

HMS Secretaries Limited

REGISTERED OFFICE:

The Ca'd'oro
45 Gordon Street
Glasgow
G1 3PE

REGISTERED NUMBER:

SC583007 (Scotland)

AUDITORS:

Bain Henry Reid
Statutory Auditors
Chartered Accountants
28 Broad Street
Peterhead
Aberdeenshire
AB42 1BY

BALANCE SHEET
30 JUNE 2020

		2020	2019
	Notes	£	£
CURRENT ASSETS			
Stocks		3,764,166	3,149,341
Debtors	4	41,256	9,594
Cash at bank		1,934	75,646
		<u>3,807,356</u>	<u>3,234,581</u>
CREDITORS			
Amounts falling due within one year	5	4,467,502	3,275,063
NET CURRENT LIABILITIES		<u>(660,146)</u>	<u>(40,482)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(660,146)</u>	<u>(40,482)</u>
CAPITAL AND RESERVES			
Called up share capital		1	1
Retained earnings		(660,147)	(40,483)
		<u>(660,146)</u>	<u>(40,482)</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 April 2021 and were signed on its behalf by:

Mr W M Bruce - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 MAY 2019 TO 30 JUNE 2020**

1. STATUTORY INFORMATION

Scotia (Highwood) Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

Impairment of work in progress

The company's work in progress comprises development land and building cost for the construction of residential properties, which is sensitive to changes in market conditions due to consumer demand and wider economic factors. As a result it is necessary to consider the recoverability of the cost of work in progress and the associated provisioning required. When calculating any work in progress impairment, management considers the current market conditions in the construction industry and the anticipated saleability in the future.

Going concern

The directors, having made due and careful enquiry, are of the opinion that the group for which the company is a subsidiary have adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statement, that there is a reasonable expectation that the group have adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements have been prepared on a going concern basis as the company has the continuing support of its parent company Scotia Homes (Holdings) Limited which has undertaken to ensure all liabilities are met as they fall due.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover represents amounts receivable from the sale of residential properties recognised on completion. Completion occurs when properties are completed and an agreement is in place to transfer the significant risks and rewards of ownership to the customer.

Stocks and work in progress

Stocks, including land held for development and residential work in progress are stated at the lower of cost and selling price less costs to complete and sell.

Viability reports which include an estimation of costs to complete and remaining revenues are carried out at regular intervals throughout the year during which site development costs are allocated between units built in the current year and those to be built in future years. These reports assess the profitability of each site and any impairment provisions which may be required.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 30 JUNE 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments like loans and other accounts receivable and payable are initially measured at the present value of the future payments 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the net present value of estimated cash flows discounted at the assets original effective interest rate.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 8 (2019 - 7) .

4. DEBTORS

	2020	2019
	£	£
Amounts falling due within one year:		
VAT	<u>9</u>	<u>228</u>
Amounts falling due after more than one year:		
Deferred tax asset	<u>41,247</u>	<u>9,366</u>
Aggregate amounts	<u>41,256</u>	<u>9,594</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 30 JUNE 2020

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Deposits in advance	5,450	425
Land creditor	-	775,000
Amounts owed to group undertakings	4,457,302	2,299,698
Social security and other taxes	-	197,690
Accruals and deferred income	4,750	2,250
	<u>4,467,502</u>	<u>3,275,063</u>

6. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Land creditor	<u>-</u>	<u>775,000</u>

7. DEFERRED TAX

	£
Balance at 1 May 2019	(9,366)
Provided during period	(31,881)
Balance at 30 June 2020	<u>(41,247)</u>

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Katrina Cutler BA CA (Senior Statutory Auditor)
for and on behalf of Bain Henry Reid

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

10. PARENT COMPANY

Scotia Homes (Holdings) Limited is regarded by the directors as being the company's parent company.

Copies of its accounts can be obtained from the Registrar of Companies, Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

11. ULTIMATE CONTROLLING PARTY

Camlin (No 4) Limited control the company by virtue of an interest (directly or indirectly) in 85.80% of the issued ordinary share capital in the parent company, Scotia Homes (Holdings) Limited.

12. POST BALANCE SHEET EVENTS

The COVID-19 pandemic has developed rapidly in 2020. Measures taken by the government to contain the virus have affected economic activity. Due to measures taken, work on the company's development sites ceased during March 2020 and recommenced during June 2020. The directors are satisfied as to the company's future sustainability and this is expanded upon in the group consolidated financial statements.

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.