

**MSC DEVELOPMENT LLP
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH THE REGISTRAR**

MSC DEVELOPMENT LLP
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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MSC DEVELOPMENT LLP
LIMITED LIABILITY PARTNERSHIP INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

DESIGNATED MEMBERS

Square & Crescent Group Ltd
Westrie Limited

REGISTERED OFFICE

18 Walker Street
Edinburgh
EH3 7LP
Scotland
United Kingdom

REGISTERED NUMBER

SO306576 (Scotland)

CHARTERED ACCOUNTANTS

Johnston Carmichael LLP
7-11 Melville Street
Edinburgh
EH3 7PE

MSC DEVELOPMENT LLP
BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £ Restated - note 2
Current assets			
Stocks	4	4,490,356	3,101,768
Debtors	5	10,466	27,254
Cash at bank and in hand		131,297	42,996
		4,632,119	3,172,018
Creditors			
Amounts falling due within one year	6	(61,766)	(202,511)
Net current assets		4,570,353	2,969,507
Total assets less current liabilities		4,570,353	2,969,507
Creditors			
Amounts falling due after more than one year	7	(4,292,552)	(2,948,465)
Net assets attributable to members		277,801	21,042
Represented by			
Loans and other debts due to members within one year			
Members' capital classified as a liability		150,000	0
Other amounts		127,800	21,041
		277,800	21,041
Members' other interests			
Members' capital classified as equity		1	1
		1	1
		277,801	21,042
Total members' interests			
Loans and other debts due to members		277,800	21,041
Members' other interests		1	1
		277,801	21,042

MSC DEVELOPMENT LLP
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

For the financial year ending 31 March 2022 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Members' responsibilities:

- The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to Limited Liability Partnerships subject to the small Limited Liability Partnerships regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of MSC Development LLP (registered number: SO306576) were approved and authorised for issue by the Board of Directors on 22 December 2022. They were signed on its behalf by:

Square & Crescent Group Ltd
Designated member

MSC DEVELOPMENT LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

MSC Development LLP is a limited liability partnership, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the LLP's registered office is 18 Walker Street, Edinburgh, EH3 7LP, Scotland, United Kingdom.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships issued in December 2018 (SORP 2018).

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Prior year error

The amount reported as Members' remuneration charged as an expense was incorrectly stated in the prior period and has been restated and the Members' equity has now been split out.

Turnover

Turnover represents property sales and rentals receivable prior to development work commencing on the property.

If, at the Balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the Balance sheet date are carried forward as work in progress.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are measured at transaction price including transaction cost.

MSC DEVELOPMENT LLP
NOTES TO THE FINANCIAL STATEMENTS
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Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all of the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the limited liability partnership are recorded at the proceeds received, net of direct costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the limited liability partnership.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

MSC DEVELOPMENT LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members participation rights in the earnings or assets of the LLP are analysed between those that are from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount related to current year profits, they are recognised within 'Members' Remuneration charges as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

Loans and other debts due to members

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

2. Prior year adjustment

The amount reported as Members' remuneration charged as an expense was incorrectly stated in the prior period and has been restated with the Members' equity also being split out. There impact on presentation is as follows:

	As previously reported	Adjustment	As restated
Year ended 31 March 2021	£	£	£
Amounts due in respect of profits	386,403	(365,362)	21,041
Loans and other debts due to members	386,403	(365,362)	21,041
Members remuneration charged as an expense	(397,301)	365,362	(31,939)
Members other interests	(365,362)	365,361	(1)
Members capital classified as equity	0	1	1
Other creditors	152,938	(1)	152,937

3. Employees

	2022	2021
	Number	Number
Monthly average number of persons employed by the LLP during the year	0	0

MSC DEVELOPMENT LLP
NOTES TO THE FINANCIAL STATEMENTS
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4. Stocks

	2022	2021
	£	£
Work in progress	4,490,356	3,101,768

5. Debtors

	2022	2021
	£	£
Other debtors	10,466	27,254

6. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	5,757	49,574
Other creditors	56,009	152,937
	61,766	202,511

There are no amounts included above in respect of which any security has been given by the entity.

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

	2022	2021
	£	£
Other creditors	4,292,552	2,948,465

MSC Development LLP has granted standard securities and floating charges over the development to The Welch Group Developments Limited and Close Brothers Limited.

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.