

THE BALVICAR PROPERTY COMPANY LTD.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Milne Craig
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FOR THE YEAR ENDED 31 MARCH 2023**

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THE BALVICAR PROPERTY COMPANY LTD.

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS:	Thomas Somerville Anderson Alison Mitchell W Stewart Ferguson Kevin Thompson
SECRETARY:	Alison Mitchell
REGISTERED OFFICE:	15 Ashton Road Glasgow G12 8SP
REGISTERED NUMBER:	SC034136 (Scotland)
ACCOUNTANTS:	Milne Craig Chartered Accountants Abercorn House 79 Renfrew Road Paisley Renfrewshire PA3 4DA
BANKERS:	The Royal Bank of Scotland plc 10 Gordon Street Glasgow G1 3PL
SOLICITORS:	Holmes Mackillop LLP 109 Douglas Street Glasgow G2 4HB

BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Investments	4		492,825		392,064
Investment property	5		<u>1,535,000</u>		<u>1,505,900</u>
			2,027,825		1,897,964
CURRENT ASSETS					
Debtors	6	214,370		192,181	
Cash at bank		<u>740</u>		<u>538</u>	
		215,110		192,719	
CREDITORS					
Amounts falling due within one year	7	<u>84,365</u>		<u>115,049</u>	
NET CURRENT ASSETS			<u>130,745</u>		<u>77,670</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,158,570		1,975,634
PROVISIONS FOR LIABILITIES	8		<u>88,941</u>		<u>58,509</u>
NET ASSETS			<u>2,069,629</u>		<u>1,917,125</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Revaluation reserve	9		728,601		654,081
Retained earnings			<u>1,340,928</u>		<u>1,262,944</u>
SHAREHOLDERS' FUNDS			<u>2,069,629</u>		<u>1,917,125</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**BALANCE SHEET - continued
31 MARCH 2023**

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 Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2023 and were signed on its behalf by:

Thomas Somerville Anderson - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. **STATUTORY INFORMATION**

The Balvicar Property Company Ltd is a private company, limited by shares, registered in Scotland. The company's registration number is SC034136 and registered office address is 15 Ashton Road, Glasgow, G12 8SP.

The nature of the Company's operations and its principal activities are that of renting of its properties and dealing in investments and the management of its subsidiary company.

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 as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Related party exemption

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.

Critical accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Turnover

This represents the proceeds of investments sold and rents received in the year.

Investment property

The company owns properties that are held to earn long term rental income and for capital appreciation. Investment properties are initially recognised at cost. Investment properties whose fair value can be measured reliably are measured at fair value. Changes in fair value are recognised in the profit and loss account. Where the fair value of the property cannot be determined without undue cost or effort it is held at cost less accumulated depreciation and impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company 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 Company's balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transactions costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all 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.

Classification of 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 Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated 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.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Other financial assets

Other financial assets include investments which are not investments in subsidiaries, associates or joint ventures. Investments are initially measured at fair value which usually equates to the transaction price and subsequently at fair value where investments are listed on an active market or where non listed investments can be reliably measured. Movements in fair value are measured in the profit and loss. When fair value cannot be measured reliably or can no longer be measured reliably, investments are measured at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

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 profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

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

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2022 - 4) .

4. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
COST OR VALUATION			
At 1 April 2022	391,064	1,000	392,064
Additions	30,500	-	30,500
Revaluations	70,261	-	70,261
At 31 March 2023	<u>491,825</u>	<u>1,000</u>	<u>492,825</u>
NET BOOK VALUE			
At 31 March 2023	<u>491,825</u>	<u>1,000</u>	<u>492,825</u>
At 31 March 2022	<u>391,064</u>	<u>1,000</u>	<u>392,064</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

4. **FIXED ASSET INVESTMENTS - continued**

Cost or valuation at 31 March 2023 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2023	359,193	-	359,193
Cost	<u>132,632</u>	<u>1,000</u>	<u>133,632</u>
	<u>491,825</u>	<u>1,000</u>	<u>492,825</u>

In March 2021 the directors took the decision to reclassify the company share portfolio from current to fixed asset which is a more appropriate reflection of the use of the portfolio funds.

The value at 1 April 2020 of £127,141 has been treated as the base cost.

All revaluations of fixed asset investments are reflected through the revaluation reserve.

5. **INVESTMENT PROPERTY**

	Total £
FAIR VALUE	
At 1 April 2022	1,505,900
Revaluations	<u>29,100</u>
At 31 March 2023	<u>1,535,000</u>
NET BOOK VALUE	
At 31 March 2023	<u>1,535,000</u>
At 31 March 2022	<u>1,505,900</u>

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2022	1,505,900
Valuation in 2023	<u>29,100</u>
	<u>1,535,000</u>

If investment properties had not been revalued they would have been included at the following historical cost:

	2023 £	2022 £
Cost	<u>872,451</u>	<u>872,451</u>

Investment properties were valued on an open market basis on 31 March 2023 by T S Anderson, a director .

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Other debtors	<u>214,370</u>	<u>192,181</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Tax	12,906	9,865
Other creditors	71,459	105,184
	<u>84,365</u>	<u>115,049</u>

8. **PROVISIONS FOR LIABILITIES**

	2023	2022
	£	£
Deferred tax		
Corporation tax relating to revaluation surpluses	<u>88,941</u>	<u>58,509</u>

	Deferred tax
	£
Balance at 1 April 2022	58,509
Provided during year	<u>30,432</u>
Balance at 31 March 2023	<u>88,941</u>

9. **RESERVES**

	Revaluation reserve
	£
At 1 April 2022	654,081
Revaluation movement in year	70,261
Transfer movements on unrealised (gains)/losses	29,100
Deferred tax adjustment	<u>(24,841)</u>
At 31 March 2023	<u>728,601</u>

The revaluation reserve represents the cumulative balance of unrealised gains on investment properties and the fixed asset investment portfolio adjusting for any deferred tax arising on the gains.

10. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Thomas Somerville Anderson.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
THE BALVICAR PROPERTY COMPANY LTD.**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Statement of Comprehensive Income and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Balvicar Property Company Ltd. for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of The Balvicar Property Company Ltd., as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of The Balvicar Property Company Ltd. and state those matters that we have agreed to state to the Board of Directors of The Balvicar Property Company Ltd., as a body, in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The Balvicar Property Company Ltd. has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of The Balvicar Property Company Ltd.. You consider that The Balvicar Property Company Ltd. is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of The Balvicar Property Company Ltd.. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Milne Craig
Chartered Accountants
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

27 September 2023

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.