

Registration number: SC036265

# A & J Stephen Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2020



Morris & Young, Statutory Auditor  
Chartered Accountants  
6 Atholl Crescent  
PERTH  
PH1 5JN

# **A & J Stephen Limited**

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# **A & J Stephen Limited**

## **Company Information**

**Directors** Dale Stephen  
Brian Finlay  
John S Stephen  
John W Stephen  
John Webster

**Company secretary** John Webster

**Registered office** Stephen House  
Edinburgh Road  
PERTH  
PH2 8BS

**Solicitors** Blackadders Solicitors  
30-34 Reform Street  
Dundee  
DD1 1RJ

**Auditors** Morris & Young, Statutory Auditor  
Chartered Accountants  
6 Atholl Crescent  
PERTH  
PH1 5JN

## **A & J Stephen Limited**

### **Strategic Report for the Year Ended 31 March 2020**

The directors present their strategic report for the year ended 31 March 2020.

#### **Principal activity**

The principal activity of the company is obtaining land and making this available for building development

#### **Fair review of the business**

The company performed satisfactorily during the year. Turnover was down on last year from £2m to £1.2m The gross margin increased from £540k to £864k. This is partly due to the write down at Chapelton last year. The company has a profit before tax this year of £257k compared to a loss of £150k last year.

The balance sheet remains strong with shareholders' funds in excess of £15 million.

#### **Outlook**

In the year to March 2021 the country has been in lockdown as a result of the Covid -19 pandemic for much of the time and for many months our construction sites and showhouses have been closed. In conjunction with Homes for Scotland we have developed Safe Operating Procedures across all aspects of our business. These are kept under constant review to ensure we comply with Government guidelines and that our staff, contractors and clients are kept safe. These industry wide measures allowed construction to recommence in late June.

The company's key financial and other performance indicators during the year were as follows:

	<b>Unit</b>	<b>2020</b>	<b>2019</b>
Turnover	£	1,251,732	2,049,750
Gross Profit	%	69	50
Profit before Tax	£	256,651	(150,071)
Total equity	£	15,046,431	14,789,780

Turnover, profitability and return on capital are carefully forecast and monitored. Buying and promoting new development sites bring with it high demands on working capital. In such times of economic and political uncertainty, the management of cash and the prudent use of banking facilities are of prime importance.

The company continues to invest in strategic land acquisitions to maintain its long term sustainable growth strategy. In-house expertise in promoting development through the planning process helps drive this vision.

## **A & J Stephen Limited**

### **Strategic Report for the Year Ended 31 March 2020**

#### **Principal risks and uncertainties**

The Board recognise that the management of risk is fundamental to the success of our business. Within the Stephen group of companies all tiers of management are involved in managing, monitoring and mitigating risk where possible.

Uncertainties outwith the control of the group remain our principal risks:

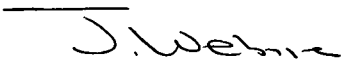
- Delivery of new development sites

It is vitally important that new developments emerge from the approvals process in order to protect the core operations with the Stephen group of Companies.

- Covid – 19 Pandemic

The over riding uncertainty facing the business at this time is the worldwide Covid 19 pandemic. As noted above, the pandemic has had a significant impact on the business. Government support to all sectors of the economy, through various initiatives, the furlough scheme in particular, has helped secure jobs and support the wider economy. Only time will tell the of the success of the vaccination programme in easing our way out of lockdown. Government borrowing is at an all time high and the economic fallout of the pandemic will be with us for decades to come. It would be foolhardy to think the housing market will not take its share of the challenging economic landscape going forward.

Approved by the Board on 29 March 2021 and signed on its behalf by:

  
.....  
John Webster  
Company secretary and director

## **A & J Stephen Limited**

### **Directors' Report for the Year Ended 31 March 2020**

The directors present their report and the financial statements for the year ended 31 March 2020.

#### **Directors of the company**

The directors who held office during the year were as follows:

Dale Stephen

Brian Finlay

John S Stephen

John W Stephen

John Webster - Company secretary and director

#### **Financial instruments**

##### ***Objectives and policies***

In terms of the financial risk in the present economic climate, the company seeks to finance any development through bank funding where the funding term is matched to the life of the development.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The company does not trade in financial instruments.

At the time of writing, the company's operational bank account remains within it's facility and current forecasts show that this will continue to be the case in the medium term.

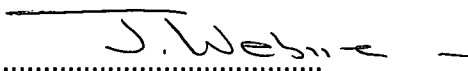
#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

The auditors Morris & Young, Statutory Auditor are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 29 March 2021 and signed on its behalf by:



John Webster  
Company secretary and director

## **A & J Stephen Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **A & J Stephen Limited**

### **Independent Auditor's Report to the Members of A & J Stephen Limited**

#### **Opinion**

We have audited the financial statements of A & J Stephen Limited (the 'company') for the year ended 31 March 2020, which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



## **A & J Stephen Limited**

### **Independent Auditor's Report to the Members of A & J Stephen Limited**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **A & J Stephen Limited**

### **Independent Auditor's Report to the Members of A & J Stephen Limited**

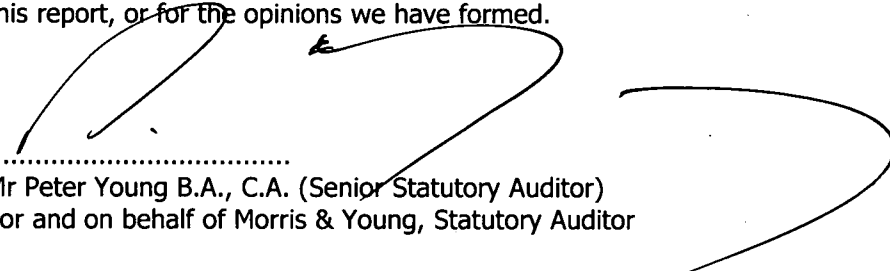
#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Mr Peter Young B.A., C.A. (Senior Statutory Auditor)  
For and on behalf of Morris & Young, Statutory Auditor

Chartered Accountants  
6 Atholl Crescent  
PERTH  
PH1 5JN

31 March 2021

## **A & J Stephen Limited**

### **Income Statement for the Year Ended 31 March 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
Revenue	3	1,251,732	2,049,750
Cost of sales		<u>(387,688)</u>	<u>(1,509,863)</u>
Gross profit		864,044	539,887
Administrative expenses		(658,982)	(747,124)
Other operating income	4	<u>45,254</u>	<u>49,535</u>
Operating profit/(loss)		250,316	(157,702)
Other interest receivable and similar income	5	<u>6,335</u>	<u>7,631</u>
Profit/(loss) before tax		256,651	(150,071)
Taxation	8	<u>-</u>	<u>28,513</u>
Profit/(loss) for the financial year		<u><u>256,651</u></u>	<u><u>(121,558)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 14 to 21 form an integral part of these financial statements.

## **A & J Stephen Limited**

### **Statement of Comprehensive Income for the Year Ended 31 March 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the year	<u>256,651</u>	<u>(121,558)</u>
Total comprehensive income for the year	<u><u>256,651</u></u>	<u><u>(121,558)</u></u>

# A & J Stephen Limited

(Registration number: SC036265)

## Statement of Financial Position as at 31 March 2020

	Note	2020 £	2019 £
<b>Current assets</b>			
Inventories	9	5,069,333	5,448,775
Receivables	10	10,897,861	8,356,848
Cash at bank and in hand		<u>1,513,649</u>	<u>3,392,432</u>
		17,480,843	17,198,055
<b>Payables:</b> Amounts falling due within one year	12	<u>(2,434,412)</u>	<u>(2,408,275)</u>
<b>Net assets</b>		<u>15,046,431</u>	<u>14,789,780</u>
<b>Equity</b>			
Called up share capital	13	24,000	24,000
Capital redemption reserve	14	600	600
Profit and loss account	14	<u>15,021,831</u>	<u>14,765,180</u>
Total equity		<u>15,046,431</u>	<u>14,789,780</u>

Approved and authorised by the Board on 29 March 2021 and signed on its behalf by:



John W Stephen  
Director

The notes on pages 14 to 21 form an integral part of these financial statements.

## A & J Stephen Limited

### Statement of Changes in Equity for the Year Ended 31 March 2020

	<b>Share capital</b> <b>£</b>	<b>Capital redemption reserve</b> <b>£</b>	<b>Profit and loss account</b> <b>£</b>	<b>Total</b> <b>£</b>
At 1 April 2019	24,000	600	14,765,180	14,789,780
Profit for the year	-	-	256,651	256,651
Total comprehensive income	-	-	256,651	256,651
At 31 March 2020	<u>24,000</u>	<u>600</u>	<u>15,021,831</u>	<u>15,046,431</u>

	<b>Share capital</b> <b>£</b>	<b>Capital redemption reserve</b> <b>£</b>	<b>Profit and loss account</b> <b>£</b>	<b>Total</b> <b>£</b>
At 1 April 2018	24,000	600	14,886,738	14,911,338
Loss for the year	-	-	(121,558)	(121,558)
Total comprehensive income	-	-	(121,558)	(121,558)
At 31 March 2019	<u>24,000</u>	<u>600</u>	<u>14,765,180</u>	<u>14,789,780</u>

The notes on pages 14 to 21 form an integral part of these financial statements.

# A & J Stephen Limited

## Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		256,651	(121,558)
Adjustments to cash flows from non-cash items			
Finance income	5	(6,335)	(7,631)
Income tax expense	8	<u>-</u>	<u>(28,513)</u>
		250,316	(157,702)
Working capital adjustments			
Decrease in inventories	9	379,442	1,925,681
(Increase)/decrease in trade receivables	10	(2,541,013)	124,637
Increase/(decrease) in trade payables	12	<u>26,137</u>	<u>(297,925)</u>
Cash generated from operations		(1,885,118)	1,594,691
Income taxes paid	8	<u>-</u>	<u>(120,000)</u>
Net cash flow from operating activities		(1,885,118)	1,474,691
<b>Cash flows from investing activities</b>			
Interest received	5	<u>6,335</u>	<u>7,631</u>
Net (decrease)/increase in cash and cash equivalents		(1,878,783)	1,482,322
Cash and cash equivalents at 1 April		<u>3,392,432</u>	<u>1,910,110</u>
Cash and cash equivalents at 31 March		<u><u>1,513,649</u></u>	<u><u>3,392,432</u></u>

The notes on pages 14 to 21 form an integral part of these financial statements.

## **A & J Stephen Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **1 General information**

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Stephen House  
Edinburgh Road  
PERTH  
PH2 8BS

These financial statements were authorised for issue by the Board on 29 March 2021.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling (£).

##### **Going concern**

A & J Stephen Limited is a wholly owned subsidiary of A & J Stephen (Holdings) Limited. The company also is a borrower and guarantor under the group's borrowing facilities as set out in the contingent liability note. These accounts have been prepared having regard to the group's trading forecasts for the next twelve months. These forecasts include detailed cashflow projections. Notwithstanding the above, given the current economic environment, there remains a risk that the external trading environment may be worse than currently envisaged, and as a result, the directors of A & J Stephen (Holdings) Limited have also reviewed forecasts which include sensitivities that make allowance for that risk. Should such a scenario arise, the directors of A & J Stephen (Holdings) Limited have confidence that they have adequate liquidity and covenant headroom to ensure that the group can meet its liabilities as they fall due for the foreseeable future.

The directors have considered the impact of the Covid-19 pandemic on the going concern of the company. The group was closed for a short period during lockdown but has re-opened. Due to the financial support of CBILS, grants, furlough and the trading since re-opening in the group, the directors consider the preparation of the accounts on a going concern basis to be appropriate.



## **A & J Stephen Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts

The Company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Company's activities.

#### **Tax**

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and bank deposits.

#### **Trade Receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the transaction price. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Inventories**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the latest cost price.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price.

## A & J Stephen Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Sale of goods	<u>1,251,732</u>	<u>2,049,750</u>

The analysis of the company's turnover for the year by class of business is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Housebuilders	<u>1,251,732</u>	<u>2,049,750</u>

The analysis of the company's turnover for the year by market is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
UK	<u>1,251,732</u>	<u>2,049,750</u>

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Rental income	28,449	37,462
Miscellaneous other operating income	<u>16,805</u>	<u>12,073</u>
	<u>45,254</u>	<u>49,535</u>

## A & J Stephen Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 5 Other interest receivable and similar income

	2020 £	2019 £
Interest income on bank deposits	6,335	7,623
Other finance income	-	8
	<u>6,335</u>	<u>7,631</u>

#### 6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
During the year the number of directors who were receiving benefits and share incentives was as follows:		
	2020 No.	2019 No.
Accruing benefits under defined benefit pension scheme	<u>4</u>	<u>4</u>

#### 7 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>3,630</u>	<u>3,525</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>1,295</u>	<u>1,250</u>

#### 8 Taxation

Tax charged/(credited) in the income statement

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax adjustment to prior periods	<u>-</u>	<u>(28,513)</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

## A & J Stephen Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

	2020 £	2019 £
Profit/(loss) before tax	<u>256,651</u>	<u>(150,071)</u>
Corporation tax at standard rate	48,764	(28,513)
Effect of tax losses	(48,764)	(28,513)
Increase in UK and foreign current tax from adjustment for prior periods	<u>-</u>	<u>28,513</u>
Total tax credit	<u>-</u>	<u>(28,513)</u>

#### 9 Inventories

	2020 £	2019 £
Other inventories	<u>5,069,333</u>	<u>5,448,775</u>

The cost of inventories recognised as an expense in the year amounted to £387,693 (2019 - £759,863).

#### Impairment of inventories

The amount of impairment loss included in profit or loss is £Nil (2019 - £750,000).

#### 10 Receivables

	Note	2020 £	2019 £
Amounts owed by related parties	17	10,729,490	8,150,679
Other receivables		129,201	166,999
Income tax asset	8	39,170	39,170
Less non-current portion		<u>(124,544)</u>	<u>(163,806)</u>
		<u>10,773,317</u>	<u>8,193,042</u>

#### Details of non-current trade and other receivables

£124,544 (2019 -£163,806) of other receivables is classified as non current. Included in other receivables are deferred assets, being the cost of the unrealised element of house sales under the company's deferred equity scheme. The total unrealised sales value of the retained equities as at 31 March 2020 was £167,085 (2019 - £219,435).

## A & J Stephen Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 11 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	1,487,767	3,367,347
Short-term deposits	<u>25,882</u>	<u>25,085</u>
	<u><u>1,513,649</u></u>	<u><u>3,392,432</u></u>

#### 12 Payables

	Note	2020 £	2019 £
<b>Due within one year</b>			
Amounts due to related parties	17	2,320,485	2,295,484
Accruals		<u>113,927</u>	<u>112,791</u>
		<u><u>2,434,412</u></u>	<u><u>2,408,275</u></u>

The bank holds a Bond and Floating Charge over all the assets of the company and letters of offset by A & J Stephen (Builders) Limited and A & J Stephen (Holdings) Limited.

The bank also has a Standard Security over land at Newburgh and at Elswick, Stonehaven.

There are two Standard Securities in favour of the Trustees of Dorothy Jean Michie Howison or McKenzie Smith or Torrance's Trust Disposition and Settlement over land at Newburgh. There is a Standard Security in favour of Denmarkfield Limited over land at Denmarkfield Farm. There is a Standard Security in favour of Tornagrain Limited over land at Tornagrain.

#### 13 Share capital

##### Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>24,000</u>	<u>24,000</u>	<u>24,000</u>	<u>24,000</u>

##### Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

There is a single class of ordinary shares. There are no restrictions on the distributions of dividends and the repayment of capital.

## **A & J Stephen Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **14 Reserves**

Called up share capital

Represents the nominal value of the shares that have been issued.

Capital redemption reserve

Relates to the redemption of share capital.

Profit and loss account

Includes current and prior period retained profits and losses.

#### **15 Contingent assets**

The company has sold land and provided services to a housing association and has received credits in this regard.

These credits can only be used to offset the affordable housing requirement on future sites if agreed by the Local Authority.

#### **16 Contingent liabilities**

There is a contingent liability relating to the guarantee given by the company to Santander in respect of cross corporate guarantee including offset provisions incorporating all group companies.

#### **17 Related party transactions**

##### **Summary of transactions with parent**

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

##### **Summary of transactions with subsidiaries**

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

##### **Summary of transactions with all associates**

Associated company

#### **Loans to related parties**

##### **2020**

At start of period

<b>Associates</b>	<b>Total</b>
<b>£</b>	<b>£</b>
<u>1,668</u>	<u>1,668</u>
<b>Associates</b>	<b>Total</b>
<b>£</b>	<b>£</b>
<u>1,668</u>	<u>1,668</u>

##### **2019**

At start of period

## **A & J Stephen Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **18 Parent and ultimate parent undertaking**

The company's immediate parent is A & J Stephen (Holdings) Limited, incorporated in Scotland.

These financial statements are available upon request from Registrar of Companies, 139 Fountainbridge, Edinburgh.

The ultimate controlling party is not known as there is no majority shareholder.