

**R & P Property and Development  
Limited**

Director's Report and Unaudited  
Financial Statements

Year Ended  
31 May 2019

Company Number SC124173



**R & P Property and Development Limited**

**Company Information**

<b>Director</b>	Patrick A Reilly
<b>Company secretary</b>	Lorraine Reilly
<b>Registered number</b>	SC124173
<b>Registered office</b>	Gartgill Road Coatbridge ML5 2EQ
<b>Accountants</b>	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX

## **R & P Property and Development Limited**

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<b>Detailed profit and loss account and summaries</b>	

**R & P Property and Development Limited**

**Director's report  
For the year ended 31 May 2019**

The director presents his report and the financial statements for the year ended 31 May 2019.

**Principal activity**

The principal activity of the company during the year was the development and subsequent letting of property.

**Director**

The director who served during the year was:

Patrick A Reilly

**Small companies note**

In preparing this report, the directors has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 14 NOVEMBER 2019 and signed on its behalf.

  
**Patrick A Reilly**  
Director

## **R & P Property and Development Limited**

### **Chartered accountants' report to the director on the preparation of the unaudited statutory financial statements of R & P Property and Development Limited for the year ended 31 May 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of R & P Property and Development Limited for the year ended 31 May 2019 which comprise the statement of income and retained earnings, the balance sheet 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 the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

It is your duty to ensure that R & P Property and Development Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of R & P Property and Development Limited. You consider that R & P Property and Development Limited 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 R & P Property and Development Limited. 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 accounts.

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

This report is made solely to the board of directors of R & P Property and Development Limited, as a body, in accordance with the terms of our engagement letter dated 25 January 2017. Our work has been undertaken solely to prepare for your approval the accounts of R & P Property and Development Limited and state those matters that we have agreed to state to the board of directors of R & P Property and Development Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than R & P Property and Development Limited and its board of directors as a body for our work or for this report.



**BDO LLP**  
Chartered Accountants  
Glasgow  
UK

Date: 14 November 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**R & P Property and Development Limited**

**Statement of income and retained earnings  
For the year ended 31 May 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Turnover	4	61,494	63,922
<b>Gross profit</b>		<b>61,494</b>	<b>63,922</b>
Administrative expenses		(57,093)	(55,149)
Other operating income	5	3,000	3,000
<b>Operating profit</b>		<b>7,401</b>	<b>11,773</b>
Tax on profit	7	(1,406)	(2,245)
<b>Profit after tax</b>		<b>5,995</b>	<b>9,528</b>
Retained earnings at the beginning of the year		236,232	226,704
		236,232	226,704
Profit for the year		5,995	9,528
<b>Retained earnings at the end of the year</b>		<b>242,227</b>	<b>236,232</b>

The notes on pages 5 to 12 form part of these financial statements.

**R & P Property and Development Limited**  
**Registered number: SC124173**

**Balance sheet**  
**As at 31 May 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Fixed assets</b>			
Tangible assets	8	191,662	191,662
		<u>191,662</u>	<u>191,662</u>
<b>Current assets</b>			
Stocks		75,925	75,925
Debtors: amounts falling due within one year	9	7,028	7,667
Cash at bank and in hand	10	190,964	155,686
		<u>273,917</u>	<u>239,278</u>
Creditors: amounts falling due within one year	11	(213,337)	(184,693)
<b>Net current assets</b>		<u>60,580</u>	<u>54,585</u>
<b>Total assets less current liabilities</b>		<u>252,242</u>	<u>246,247</u>
<b>Provisions for liabilities</b>			
Deferred tax	12	(9,015)	(9,015)
		<u>(9,015)</u>	<u>(9,015)</u>
<b>Net assets</b>		<u><u>243,227</u></u>	<u><u>237,232</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account	14	242,227	236,232
		<u><u>243,227</u></u>	<u><u>237,232</u></u>

The director considers 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 Companies Act 2006.

The director acknowledges his 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 were approved and authorised for issue by the board and were signed on its behalf on

  
**Patrick A Reilly**  
 Director

14 NOVEMBER 2019

The notes on pages 5 to 12 form part of these financial statements.

## **R & P Property and Development Limited**

### **Notes to the financial statements For the year ended 31 May 2019**

#### **1. General information**

R & P Property and Development Limited is a private company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's principal activities is set out in the director's report.

#### **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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (note 3).

The following principal accounting policies have been applied:

##### **2.2 Revenue**

Revenue 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. Revenue 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**

Revenue 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.



## **R & P Property and Development Limited**

### **Notes to the financial statements For the year ended 31 May 2019**

## **2. Accounting policies (continued)**

### **2.3 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, 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.

### **2.4 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:

Freehold land	- Not depreciated in line with applicable accounting standards
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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 the statement of income and retained earnings.

### **2.5 Investment property**

Investment property is carried at fair value determined annually by the director and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. External valuations are sought as required. No depreciation is provided. Changes in fair value are recognised in the statement of income and retained earnings.

## **R & P Property and Development Limited**

### **Notes to the financial statements For the year ended 31 May 2019**

#### **2. Accounting policies (continued)**

##### **2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

##### **2.7 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.

##### **2.8 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.

##### **2.9 Government grants**

Grants of a revenue nature are recognised in the statement of income and retained earnings in the same period as the related expenditure.

##### **2.10 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.

##### **2.11 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of income and retained earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

## **R & P Property and Development Limited**

### **Notes to the financial statements For the year ended 31 May 2019**

#### **2. Accounting policies (continued)**

##### **2.12 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 non-puttable 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the statement of income and retained earnings.

#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the director has made the following judgments:

In the application of the company's accounting policies, which are described in note 2, the director is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

- Investment properties are reviewed as required for evidence of change in market value. This involves the assessment of current market conditions affecting the investment property market, including rental yields and capital appreciation. These external factors introduce a degree of estimation uncertainty into the assessment of the fair value of the investment property at the year end. The director will seek external expert advice to assist with the assessment of the fair value of the investment property, only when such an assessment does not incur undue cost and effort.
- Fixed assets are considered for indications of 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.
- Stock has been valued at the lower of cost and net realisable value based on the director's estimate of what the ultimate sales price will be.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**R & P Property and Development Limited**

**Notes to the financial statements  
For the year ended 31 May 2019**

**4. Turnover**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Rental income	<b>61,494</b>	<b>63,922</b>
	<u><b>61,494</b></u>	<u><b>63,922</b></u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Grants received	<b>3,000</b>	<b>3,000</b>
	<u><b>3,000</b></u>	<u><b>3,000</b></u>

**6. Employees**

The director received emoluments of £30,000 (2018 - £30,000) during the year.

The average monthly number of employees, including directors, during the year was 2 (2018 - 2).

**7. Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<b>1,406</b>	<b>2,237</b>
Adjustments in respect of previous periods	<b>-</b>	<b>8</b>
<b>Total current tax</b>	<u><b>1,406</b></u>	<u><b>2,245</b></u>

# **R & P Property and Development Limited**

## **Notes to the financial statements For the year ended 31 May 2019**

### **7. Taxation (continued)**

#### **Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	7,401	11,773
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	1,406	2,237
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	-	8
<b>Total tax charge for the year</b>	<b>1,406</b>	<b>2,245</b>

#### **Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

### **8. Tangible fixed assets**

	Investment properties £	Freehold land £	Total £
<b>Cost or valuation</b>			
At 1 June 2018	161,517	30,145	191,662
At 31 May 2019	161,517	30,145	191,662
<b>Net book value</b>			
At 31 May 2019	161,517	30,145	191,662
At 31 May 2018	161,517	30,145	191,662

**R & P Property and Development Limited**

**Notes to the financial statements  
For the year ended 31 May 2019**

**9. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other debtors	<b>7,028</b>	<b>7,667</b>
	<u><b>7,028</b></u>	<u><b>7,667</b></u>

**10. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>190,964</b>	<b>155,686</b>
	<u><b>190,964</b></u>	<u><b>155,686</b></u>

**11. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>13,576</b>	<b>282</b>
Corporation tax	<b>1,406</b>	<b>2,237</b>
Other taxation and social security	<b>17,813</b>	<b>19,067</b>
Other creditors	<b>180,542</b>	<b>163,107</b>
	<u><b>213,337</b></u>	<u><b>184,693</b></u>

**12. Deferred taxation**

	<b>2019</b>
	<b>£</b>
At beginning of year	<b>(9,015)</b>
<b>At end of year</b>	<u><b>(9,015)</b></u>

The provision for deferred taxation is made up as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred tax on unrealised capital gains	<b>9,015</b>	<b>9,015</b>
	<u><b>9,015</b></u>	<u><b>9,015</b></u>

## **R & P Property and Development Limited**

### **Notes to the financial statements For the year ended 31 May 2019**

#### **13. Share capital**

	2019 £	2018 £
<b>Authorised, allotted, called up and fully paid</b>		
1,000 (2018 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

#### **14. Reserves**

##### **Profit & loss account**

The profit & loss account reserve comprises the cumulative historical profit and loss trading results less any dividend paid to shareholders.

#### **15. Related party transactions**

During the year the company charged Reigart Contracts Limited, a company in which Patrick Reilly is a director and shareholder, rent of £46,300 (2018: £46,300). At 31 May 2019, there was a balance payable to Reigart Contracts Limited of £99,887 (2018: £99,887). This amount is included in other creditors in note 11.

At the year end, there is a balance owed to the director, Patrick Reilly, by way of his director's loan account of £73,855 (2018: £58,720). Undrawn remuneration of £15,135 was credited to this loan account in the year.

#### **16. Controlling party**

The company is controlled by Patrick Reilly.

**R & P Property and Development Limited**

**Detailed profit and loss account  
For the year ended 31 May 2019**

	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Turnover - rental income	<b>61,494</b>	63,922
<b>Gross profit</b>	<b>61,494</b>	63,922
Grants received	<b>3,000</b>	3,000
<b>Less: overheads</b>		
Administration expenses	<b>(57,093)</b>	(55,149)
<b>Operating profit</b>	<b>7,401</b>	11,773
Tax on profit on ordinary activities	<b>(1,406)</b>	(2,245)
<b>Profit for the year</b>	<b>5,995</b>	9,528



# **R & P Property and Development Limited**

## **Detailed profit and loss account For the year ended 31 May 2019**

	<b>2019 £</b>	<b>2018 £</b>
<b>Turnover</b>		
Rental income	<b>61,494</b>	<b>63,922</b>
	<b>61,494</b>	<b>63,922</b>
	<b>2019 £</b>	<b>2018 £</b>
<b>Other operating income</b>		
Grants received	<b>3,000</b>	<b>3,000</b>
	<b>3,000</b>	<b>3,000</b>
	<b>2019 £</b>	<b>2018 £</b>
<b>Administration expenses</b>		
Director's salaries	<b>30,000</b>	<b>30,000</b>
National insurance	<b>2,949</b>	<b>2,977</b>
Telephone	<b>1,418</b>	<b>379</b>
Accountancy fees	<b>4,562</b>	<b>3,615</b>
Bank charges	<b>190</b>	<b>48</b>
Subscriptions	<b>647</b>	<b>632</b>
Rates	<b>13,071</b>	<b>16,549</b>
Light and heat	<b>548</b>	<b>(1,892)</b>
Repairs and maintenance	<b>143</b>	<b>-</b>
Factor Fees	<b>3,565</b>	<b>2,841</b>
	<b>57,093</b>	<b>55,149</b>