

# Erskine Estates Limited

Registered number: SC128010

## Filleted accounts

For the year ended 30 September 2017

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COMPANIES HOUSE

**ERSKINE ESTATES LIMITED**

Registered number: SC128010

**BALANCE SHEET****AS AT 30 SEPTEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	4	20,869	9,641
Investments	5	40,500	45,000
Investment property	6	330,000	330,000
		<u>391,369</u>	<u>384,641</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	40,406	53,195
Cash at bank and in hand		248,644	245,637
		<u>289,050</u>	<u>298,832</u>
Creditors: amounts falling due within one year	8	(8,093)	(6,107)
<b>Net current assets</b>		<u>280,957</u>	<u>292,725</u>
<b>Provisions for liabilities</b>			
Deferred tax	9	(47,037)	(45,118)
<b>Total assets less liabilities</b>		<u><u>625,289</u></u>	<u><u>632,248</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	38,124	38,124
Share premium account	11	142,459	142,459
Revaluation reserve	11	224,126	223,299
Profit and loss account	11	220,580	228,366
		<u><u>625,289</u></u>	<u><u>632,248</u></u>

## **ERSKINE ESTATES LIMITED**

Registered number: SC128010

### **BALANCE SHEET (CONTINUED) AS AT 30 SEPTEMBER 2017**

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The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**G M P Shaw**  
Director

Date: Jun 26, 2018

The notes on pages 3 to 11 form part of these financial statements.

# ERSKINE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 1. General information

Erschine Estates Limited is a private company limited by shares and incorporated in Scotland, SC128010. The registered office is 5th Floor, 125 Princes Street, Edinburgh, EH2 4AD. The principal business activity of the company during the year under review was commercial property investment.

### 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 following principal accounting policies have been applied:

#### 2.2 Turnover

Turnover 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. Turnover 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

Turnover 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.

#### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

# ERSKINE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 2. Accounting policies (continued)

#### 2.3 Tangible fixed assets (continued)

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:

Motor vehicles	- 25 %
Equipment	- 25 %

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 comprehensive income.

#### 2.4 Investment property

Investment property is carried at fair value determined annually by external valuers 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. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

#### 2.5 Valuation of investments

Investments held as fixed assets are shown at cost less provision for impairment.

#### 2.6 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.

#### 2.7 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.

#### 2.8 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.

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 comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the

# **ERSKINE ESTATES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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

#### **2.8 Financial instruments (continued)**

contract.

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

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

#### **2.9 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.

#### **2.10 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### **2.11 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.

#### **2.12 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 comprehensive income 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.

# **ERSKINE ESTATES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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

#### **2.13 Current and deferred taxation**

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

### **3. Employees**

The average monthly number of employees, including the director, during the year was 1 (2016 - 1).

# ERSKINE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 4. Tangible fixed assets

	Motor vehicles £	Equipment £	Total £
<b>Cost or valuation</b>			
At 1 October 2016	58,224	5,611	63,835
Additions	27,487	-	27,487
Disposals	(58,224)	-	(58,224)
At 30 September 2017	27,487	5,611	33,098
<b>Depreciation</b>			
At 1 October 2016	49,037	5,157	54,194
Charge for the year on owned assets	6,872	200	7,072
Disposals	(49,037)	-	(49,037)
At 30 September 2017	6,872	5,357	12,229
<b>Net book value</b>			
At 30 September 2017	20,615	254	20,869
At 30 September 2016	9,187	454	9,641



# **ERSKINE ESTATES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **5. Fixed asset investments**

	<b>Other investments £</b>
<b>Valuation</b>	
At 1 October 2016	45,000
At 30 September 2017	<u>45,000</u>
<b>Impairment</b>	
Charge for the period	4,500
At 30 September 2017	<u>4,500</u>
<b>Net book value</b>	
At 30 September 2017	<u><u>40,500</u></u>
At 30 September 2016	<u><u>45,000</u></u>

### **6. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 October 2016	330,000
At 30 September 2017	<u><u>330,000</u></u>

The 2017 valuations were made by the director, on an open market value for existing use basis.

#### **At 30 September 2017**

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	<b>2017 £</b>	<b>2016 £</b>
Historic cost	<u><u>61,583</u></u>	<u><u>61,583</u></u>

# ERSKINE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 7. Debtors

	2017 £	2016 £
Trade debtors	5,599	19,526
Amounts owed by group undertaking (note 12)	34,807	33,669
	<u>40,406</u>	<u>53,195</u>

### 8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Corporation tax	-	2,134
Other taxation and social security	1,486	1,112
Accruals and deferred income	6,607	2,861
	<u>8,093</u>	<u>6,107</u>

### 9. Deferred taxation

	2017 £	2016 £
At beginning of year	45,118	62,585
Charged to profit and loss	1,919	(17,467)
<b>At end of year</b>	<u>47,037</u>	<u>45,118</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	3,111	-
Tax losses carried forward	(365)	-
Revaluation reserve	44,291	45,118
	<u>47,037</u>	<u>45,118</u>

# ERSKINE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 10. Share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
38,124 Ordinary shares of £1 each	38,124	38,124

### 11. Reserves

#### Share premium account

The share premium account includes all current and prior years premiums on share issues.

#### Revaluation reserve

The revaluation reserve includes all current and prior years revaluation gains and losses and provision for deferred tax.

#### Profit & loss account

The profit and loss account includes all current and prior years retained profits and losses and equity distributions.

### 12. Related party transactions

At the end of the year, included within debtors was £34,807 (2016: £33,669) due from Erskine Properties Limited, the company's parent undertaking. The loan is interest free, repayable on demand and there are no fixed terms of repayment.

### 13. Controlling party

Erskine Properties Limited is holder of 100% of the share capital and is the ultimate parent undertaking. The ultimate controlling party is K E Shaw, by virtue of her controlling interest in Erskine Properties Limited.

# ERSKINE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 14. First time adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 October 2015. The impact of the transition to FRS 102 is as follows:

#### Reconciliation of equity at 1 October 2015

	Note	£
Equity at 1 October 2015 under previous UK GAAP		746,361
Deferred tax on revaluation reserve		(62,585)
<b>Equity shareholders funds at 1 October 2015 under FRS 102</b>		<b>683,776</b>

#### Reconciliation of equity at 30 September 2016

	Note	£
Equity at 30 September 2016 under previous UK GAAP		677,366
Deferred tax on revaluation reserve		(45,118)
<b>Equity shareholders funds at 30 September 2016 under FRS 102</b>		<b>632,248</b>

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Potential deferred tax on the revaluation reserve has now been accounted for.