

**PRINCIPAL DEVELOPMENT CO (INVERNESS) LIMITED  
UNAUDITED ABRIDGED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**Principal Development Co (Inverness) Limited**  
**Unaudited Financial Statements**  
**For The Year Ended 31 March 2020**

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**Principal Development Co (Inverness) Limited**  
**Abridged Balance Sheet**  
**As at 31 March 2020**

Registered number: SC156154

		<b>2020</b>		<b>2019</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible Assets	<b>3</b>		558,258		555,539
Investment properties	<b>4</b>		8,656,686		8,480,421
			9,214,944		9,035,960
<b>CURRENT ASSETS</b>					
Debtors		464,379		413,825	
Cash at bank and in hand		32,922		-	
			497,301		413,825
<b>Creditors: Amounts Falling Due Within One Year</b>					
			(488,925 )		(489,985 )
<b>NET CURRENT ASSETS (LIABILITIES)</b>					
			8,376		(76,160 )
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			9,223,320		8,959,800
<b>Creditors: Amounts Falling Due After More Than One Year</b>					
	<b>5</b>		(2,506,274)		(2,743,970)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred Taxation			(379,856 )		(378,487 )
<b>NET ASSETS</b>					
			6,337,190		5,837,343
<b>CAPITAL AND RESERVES</b>					
Called up share capital	<b>6</b>		40,812		40,812
Fair value reserve			2,878,698		2,706,841
Profit and Loss Account			3,417,680		3,089,690
<b>SHAREHOLDERS' FUNDS</b>					
			6,337,190		5,837,343

**Principal Development Co (Inverness) Limited**  
**Abridged Balance Sheet (continued)**  
**As at 31 March 2020**

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For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.
- All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet for the year end 31 March 2020 in accordance with section 444(2A) of the Companies Act 2006.

On behalf of the board

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**Mr Brian Rizza**

Director

**29/01/2021**

The notes on pages 3 to 6 form part of these financial statements.

**Principal Development Co (Inverness) Limited**  
**Notes to the Abridged Financial Statements**  
**For The Year Ended 31 March 2020**

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**1. Accounting Policies**

**1.1. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention, modified to investment properties at fair value. The principal accounting policies adopted are set out below.

**1.2. Going Concern Disclosure**

The directors have not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern.

**1.3. Turnover**

Turnover represents rentals receivable net of VAT and is recognised on an accrual's basis.

**1.4. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Assets under construction	Nil
Leasehold Improvements	Over the term of the lease
Plant & Machinery	15% straight line
Motor Vehicles	25% reducing balance
Fixtures & Fittings	15% straight line

Although the Companies Act 2006 would normally require the systematic annual depreciation of fixed assets, the director believes that the policy of not providing depreciation on the investment properties is necessary in order for the accounts to give a true and fair view, since the current market value of the investment properties and changes to that value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

**1.5. Investment Properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

**Principal Development Co (Inverness) Limited**  
**Notes to the Abridged Financial Statements (continued)**  
**For The Year Ended 31 March 2020**

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**1.6. 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 bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting end date.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

**Basic financial liabilities**

Basic financial liabilities, which include creditors and bank loans are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest method. Financial liabilities classified as payable within one year are not amortised.

**Derecognition of financial liabilities**

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

**1.7. Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

**1.8. Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash at bank. Bank overdrafts are shown within borrowings in current liabilities.

**1.9. Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

**2. Average Number of Employees**

Average number of employees, including directors, during the year was 2 (2019: 2)

**Principal Development Co (Inverness) Limited**  
**Notes to the Abridged Financial Statements (continued)**  
**For The Year Ended 31 March 2020**

**3. Tangible Assets**

	<b>Total</b>
	<b>£</b>
<b>Cost</b>	
As at 1 April 2019	662,136
Additions	10,016
Disposals	-
As at 31 March 2020	<u>672,152</u>
<b>Depreciation</b>	
As at 1 April 2019	106,597
Provided during the period	7,297
As at 31 March 2020	<u>113,894</u>
<b>Net Book Value</b>	
As at 31 March 2020	<u>558,258</u>
As at 1 April 2019	<u>555,539</u>

**4. Investment properties**

	<b>Total</b>
	<b>£</b>
<b>Cost</b>	
As at 1 April 2019	8,480,421
Additions	4,408
Revaluations	171,857
As at 31 March 2020	<u>8,656,686</u>
<b>Provision</b>	
As at 1 April 2019	-
As at 31 March 2020	-
<b>Net Book Value</b>	
As at 31 March 2020	<u>8,656,686</u>
As at 1 April 2019	<u>8,480,421</u>

The investment properties are assessed on an open market value basis. The directors have taken into consideration the valuations conducted by Graham and Sibbald, Chartered Surveyors, dated 25 April 2017.

**5. Creditors: amounts falling due after five years**

Amounts included above which fall due after 5 years are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,588,751	1,894,304

**Principal Development Co (Inverness) Limited**  
**Notes to the Abridged Financial Statements (continued)**  
**For The Year Ended 31 March 2020**

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**6. Share Capital**

	<b>2020</b>	<b>2019</b>
Allotted, Called up and fully paid	40,812	40,812
40,812 Ordinary shares of £1 each		

**7. Directors Advances, Credits and Guarantees**

Included within Debtors are the following loans to directors:

	<b>As at 1 April 2019</b>	<b>Amounts advanced</b>	<b>Amounts repaid</b>	<b>Amounts written off</b>	<b>As at 31 March 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Mr Brian Rizza	270,730	84,258	53,500	-	301,488

The above loan is unsecured, interest free and has no fixed repayment terms.

**8. Operating lease commitments**

**Lessor**

At the reporting end date the company had contracted with tenants for the following minimum lease payments £3,252,367 (2019 - £3,376,105)

**9. General Information**

Principal Development Co (Inverness) Limited is a private company, limited by shares, incorporated in Scotland, registered number SC156154 . The registered office is Alton House, 4 Ballifeary Road, Inverness, IV3 5PJ.



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.