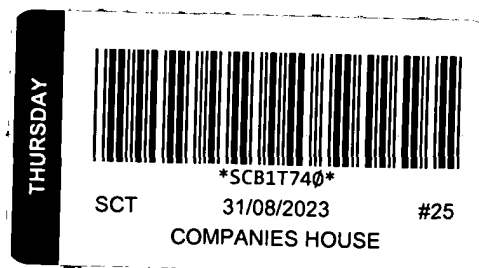


Company No: SC175211 (Scotland)



**DIRECT LETTINGS (SCOTLAND) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022
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DIRECT LETTINGS (SCOTLAND) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

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DIRECT LETTINGS (SCOTLAND) LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	125,803	506
		<u>125,803</u>	<u>506</u>
Current assets			
Debtors	5	290,561	111,660
Cash at bank and in hand		105,191	263,856
		<u>395,752</u>	<u>375,516</u>
Creditors: amounts falling due within one year	6	(617,257)	(564,316)
Net current liabilities		<u>(221,505)</u>	<u>(188,800)</u>
Total assets less current liabilities		<u>(95,702)</u>	<u>(188,294)</u>
Provision for liabilities	7, 8	(17,614)	-
Net liabilities		<u>(113,316)</u>	<u>(188,294)</u>
Capital and reserves			
Called-up share capital	9	2	2
Profit and loss account		(113,318)	(188,296)
Total shareholders' deficit		<u>(113,316)</u>	<u>(188,294)</u>

For the financial year ending 30 November 2022 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 of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Direct Lettings (Scotland) Limited (registered number: SC175211) were approved and authorised for issue by the Board of Directors on 31 August 2023. They were signed on its behalf by:



Mr I Fergusson
Director

DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Direct Lettings (Scotland) Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is 110 Commercial Street, Dundee; DD1 2AJ, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the Company and 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. The net liabilities position of £221,505 in the current year is due to amounts due to the partnership of J&E Shepherd. Whilst these amounts remain repayable on demand, the directors have received confirmation from J&E Shepherd that there is no intention that they will be recalled in such a way that would prevent Direct Lettings (Scotland) Limited from meeting its obligations as they fall due. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Foreign currency

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

Turnover

Turnover represents property management fees, which are recognised on an accruals basis, net of VAT.

Employee benefits

Short term benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

Taxation

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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Other intangible assets	3 years straight line
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Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Plant and machinery etc.	25 % reducing balance
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DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

Impairment of assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents

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

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 users.

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 transaction 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.

DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. Employees

	2022	2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	11	11

DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

3. Intangible assets

	Other intangible assets £	Total £
Cost		
At 01 December 2021	430,000	430,000
At 30 November 2022	430,000	430,000
Accumulated amortisation		
At 01 December 2021	430,000	430,000
At 30 November 2022	430,000	430,000
Net book value		
At 30 November 2022	-	-
At 30 November 2021	-	-

4. Tangible assets

	Plant and machinery etc. £	Total £
Cost		
At 01 December 2021	7,302	7,302
Additions	138,607	138,607
Disposals	(7,302)	(7,302)
At 30 November 2022	138,607	138,607
Accumulated depreciation		
At 01 December 2021	6,796	6,796
Charge for the financial year	12,804	12,804
Disposals	(6,796)	(6,796)
At 30 November 2022	12,804	12,804
Net book value		
At 30 November 2022	125,803	125,803
At 30 November 2021	506	506

DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

5. Debtors

	2022	2021
	£	£
Trade debtors	207,464	107,405
Corporation tax	2,552	-
Other debtors	80,545	4,255
	<u>290,561</u>	<u>111,660</u>

6. Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to related parties	538,964	473,289
Taxation and social security	-	31,437
Other creditors	78,293	59,590
	<u>617,257</u>	<u>564,316</u>

The amount owed to related parties represents advances from J&E Shepherd, a partnership of which shareholders G Brewster and I Fergusson are members. There are no fixed repayment terms or interest accrued.

7. Provision for liabilities

	2022	2021
	£	£
Deferred tax	<u>17,614</u>	<u>-</u>

8. Deferred tax

	2022	2021
	£	£
At the beginning of financial year	-	-
Charged to the Profit and Loss Account	(17,614)	-
At the end of financial year	<u>(17,614)</u>	<u>-</u>

DIRECT LETTINGS (SCOTLAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
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9. Called-up share capital

	2022	2021
	£	£
Allotted, called-up and fully-paid		
5,000 Ordinary A shares of £0.0004 each	2.00	2.00
499 Ordinary B shares of £0.0004 each	0.20	0.20
	<u>2.20</u>	<u>2.20</u>

10. Related party transactions

Other related party transactions

There is a balance due to J & E Shepherd, a partnership in which one of the directors is a member, of £538,964 (2021: £473,289). During the year net funding of £65,675 (2021: £48,401) was provided. The loan is unsecured, interest free and has no fixed terms of repayment.

11. Ultimate controlling party

There is no ultimate controlling party.