

GR8 DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

GR8 DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	Mr G Riddell Mr C B Barrowman
Registered number	SC225278
Registered office	Unit 3 Bankhead Avenue Bankhead Industrial Estate Glenrothes Fife KY7 6JG
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

		2020 £	2019 £
Fixed assets			
Tangible assets	4	1,067,610	805,480
		<u>1,067,610</u>	<u>805,480</u>
Current assets			
Stocks		69,557	46,518
Debtors: amounts falling due after more than one year	5	1,034,332	-
Debtors: amounts falling due within one year	5	893,155	431,108
Bank and cash balances		149,379	4,182
		<u>2,146,423</u>	<u>481,808</u>
Creditors: amounts falling due within one year	6	(760,120)	(610,301)
Net current assets/(liabilities)		<u>1,386,303</u>	<u>(128,493)</u>
Total assets less current liabilities		<u>2,453,913</u>	<u>676,987</u>
Creditors: amounts falling due after more than one year	7	(1,767,664)	(64,805)
Provisions for liabilities			
Deferred tax		(170,894)	(127,847)
		<u>(170,894)</u>	<u>(127,847)</u>
Net assets		<u>515,355</u>	<u>484,335</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		515,353	484,333
		<u>515,355</u>	<u>484,335</u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2020

The directors consider 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 the Companies Act 2006.

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.

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 income and retained earnings 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 on 27 July 2020.

Mr G Riddell
Director

The notes on pages 3 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. General information

The Company is limited by shares and incorporated in Scotland; Registration Number: SC225278. The registered office address is Unit 3, Bankhead Industrial Estate, Glenrothes, Fife, KY7 6JG.

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 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.3 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:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 Statement of financial position 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 reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets valued 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:

Property improvements	-	Over the period of the lease
Plant and machinery	-	10% straight line
Motor vehicles	-	25% straight line
Office equipment	-	25% - 33% straight line

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 profit or loss.

2.8 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 reporting 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.

2.9 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 ordinary shares.

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.

3. Employees

The average monthly number of employees, including directors, during the year was 45 (2019 - 44).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

4. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 April 2019	207,426	1,589,783	186,379	41,821	2,025,409
Additions	4,359	193,716	252,142	16,301	466,518
Disposals	-	(38,092)	(67,909)	-	(106,001)
At 31 March 2020	211,785	1,745,407	370,612	58,122	2,385,926
Depreciation					
At 1 April 2019	107,008	948,628	130,937	33,356	1,219,929
Charge for the year on owned assets	18,771	96,798	55,533	6,633	177,735
Disposals	-	(18,471)	(60,877)	-	(79,348)
At 31 March 2020	125,779	1,026,955	125,593	39,989	1,318,316
Net book value					
At 31 March 2020	86,006	718,452	245,019	18,133	1,067,610
At 31 March 2019	100,418	641,155	55,442	8,465	805,480

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. Debtors

	2020 £	2019 £
Due after more than one year		
Amounts owed by group undertakings	1,034,332	-
	<u>1,034,332</u>	<u>-</u>
Due within one year		
Trade debtors	387,468	377,634
Amounts owed by group undertakings	367,685	-
Other debtors	66,995	-
Prepayments and accrued income	71,007	53,474
	<u>893,155</u>	<u>431,108</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	-	9,458
Bank loans	15,983	15,500
Trade creditors	537,063	176,385
Amounts owed to group undertakings	-	202,065
Other taxation and social security	84,334	131,509
Obligations under finance lease and hire purchase contracts	81,874	22,637
Accruals and deferred income	40,866	52,747
	<u>760,120</u>	<u>610,301</u>

The bank loans are secured by a bond and floating charge. Hire purchase obligations are secured by the relevant assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	-	15,922
Net obligations under finance leases and hire purchase contracts	252,677	48,883
Amounts owed to group undertakings	1,514,987	-
	<u>1,767,664</u>	<u>64,805</u>

The bank loans are secured by a bond and floating charge. Hire purchase obligations are secured by the relevant assets.

8. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2 (2019 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

9. Contingent liabilities

The company entered into a bank cross guarantee with group companies Simple Technical Solutions Limited, Simple Technical Solutions Holdings Limited and Simple Technical Solutions GmbH. At 31 March 2020, the potential liability under this guarantee amounted to £1,161,309 (2019 – £nil).

10. Related party transactions

Included within debtors is an amount of £367,685 (2019 - creditor £202,065) due from Simple Technical Solutions Ltd, a group company. No interest or repayment terms have been agreed.

Included within debtors is an amount of £1,034,332 (2019 - £nil) due from Simple Technical Solutions GmbH, a group company. No interest or repayment terms have been agreed.

Included within creditors is an amount of £1,514,987 (2019 - £nil) due to Simple Technical Solutions Holdings Limited, a group company. No interest or repayment terms have been agreed.

11. Controlling party

During the period to 20 February 2019 the company was under the control of its ultimate parent company, Simple Technical Solutions Ltd, a company incorporated in Scotland; Registration number: SC238180. The registered office is Unit 3, Bankhead Industrial Estate, Glenrothes, KY7 6JG.

The group was reorganised on 20 February 2019 and the ultimate parent company from this date was Simple Technical Solutions Holdings Limited, a company incorporated in Scotland; Registration: SC616765. The registered office is Unit 3, Bankhead Industrial Estate, Glenrothes, KY7 6JG.

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.