

Company registration number SC235408 (Scotland)

**THE FACTORY II LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**  
**PAGES FOR FILING WITH REGISTRAR**

# THE FACTORY II LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr D Marshall Mr N Forrest Mr M Selvey Mr D Chisholm
<b>Secretary</b>	Mr D Marshall
<b>Company number</b>	SC235408
<b>Registered office</b>	15 Balunie Drive Dundee DD4 8PS
<b>Accountants</b>	Findlays Chartered Accountants 11 Dudhope Terrace Dundee DD3 6TS

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# THE FACTORY II LIMITED

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## **THE FACTORY II LIMITED**

### **REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF THE FACTORY II LIMITED**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Factory II Limited for the year ended 31 March 2023 which comprise, 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 ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>.

This report is made solely to the board of directors of The Factory II Limited, as a body, in accordance with the terms of our engagement letter dated 27 December 2019. Our work has been undertaken solely to prepare for your approval the financial statements of The Factory II Limited and state those matters that we have agreed to state to the board of directors of The Factory II Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Factory II Limited and its board of directors as a body, for our work or for this report.

It is your duty to ensure that The Factory II Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of The Factory II Limited. You consider that The Factory II 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 The Factory II 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 financial statements.

#### **Findlays**

Chartered Accountants  
11 Dudhope Terrace  
Dundee  
DD3 6TS  
1 June 2023

# THE FACTORY II LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investment property	3		-		1,600,000
<b>Current assets</b>					
Debtors	4	253,874		37,408	
Cash at bank and in hand		106		97,098	
		<u>253,980</u>		<u>134,506</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(1,820)</u>		<u>(427,473)</u>	
<b>Net current assets/(liabilities)</b>			252,160		(292,967)
<b>Total assets less current liabilities</b>			252,160		1,307,033
<b>Creditors: amounts falling due after more than one year</b>	6		-		(1,049,318)
<b>Net assets</b>			<u>252,160</u>		<u>257,715</u>
<b>Capital and reserves</b>					
Called up share capital	7		1		1
Profit and loss reserves			252,159		257,714
<b>Total equity</b>			<u>252,160</u>		<u>257,715</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 1 June 2023 and are signed on its behalf by:

Mr D Marshall  
Director

Company Registration No. SC235408

# THE FACTORY II LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Company information**

The Factory II Limited is a private company limited by shares incorporated in Scotland. The registered office is 15 Balunie Drive, Dundee, DD4 8PS.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with 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 include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The financial statements of the company are consolidated in the financial statements of The Factory Skatepark (SC2622261). These consolidated financial statements are available from its registered office, 15 Balunie Drive, Dundee, DD4 8PS.

#### **1.2 Turnover**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation 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:

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.4 Investment property**

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. Changes in fair value are recognised in profit or loss. Property rented to a group entity is accounted for at fair value with changes in fair value recognised in profit or loss.

#### **1.5 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.

# THE FACTORY II LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 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 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.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **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.

#### 1.7 Equity instruments

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

#### 1.8 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 reporting end date.

# THE FACTORY II LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	4	5

### 3 Investment property

	2023 £
<b>Fair value</b>	
At 1 April 2022	1,600,000
Transfer to parent undertaking	(1,600,000)
	<hr/>
At 31 March 2023	-
	<hr/>

The 2023 valuations were made by the directors, on an open market value for existing use basis.

The original cost of the revalued land and buildings was £1,732,641.

On 9th January 2023, legal title to the property transferred to the parent undertaking, The Factory Skatepark (SC266261).



# THE FACTORY II LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	253,874	31,013
Other debtors	-	667
Prepayments and accrued income	-	5,728
	<u>253,874</u>	<u>37,408</u>

### 5 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	-	19,516
Amounts owed to group undertakings	-	404,635
Deferred income	-	1,521
Accruals and deferred income	1,820	1,801
	<u>1,820</u>	<u>427,473</u>

On 09 January 2023 all securities and guarantees held over the land and buildings were transferred to the parent undertaking, The Factory Skatepark Limited (SC266261).

### 6 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans and overdrafts		-	377,003
Deferred income		-	672,315
		<u>-</u>	<u>1,049,318</u>

On 09.01.23 all securities and guarantees held over the land and buildings were transferred to the parent undertaking, The Factory Skatepark Limited (SC266261).

### 7 Called up share capital

	2023	2022	2023	2022
	Number	Number	£	£
<b>Ordinary share capital</b>				
<b>Authorised</b>				
Ordinary share of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>Issued and fully paid</b>				
Ordinary share of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

## **THE FACTORY II LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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**8 Parent company**

The company is a wholly owned subsidiary of The Factory Skatepark, SC266261, a company incorporated in Scotland.

The Factory Skatepark is the parent company and has overall control. The address of the registered office is 15 Balunie Drive, Dundee. DD4 8PS.

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.