

---

**DWC BUILDINGS LIMITED**

---

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

BALANCE SHEET  
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	3,403	11,578
Investments	5	4,443,388	4,326,721
		<u>4,446,791</u>	<u>4,338,299</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	3,756	1,975
Cash at bank and in hand		12,586	7,312
<b>Current liabilities</b>		16,342	9,287
Creditors: amounts falling due within one year	7	(248,186)	(42,580)
<b>Net current liabilities</b>		<u>(231,844)</u>	<u>(33,293)</u>
<b>Total assets less current liabilities</b>		4,214,947	4,305,006
Creditors: amounts falling due after more than one year	8	(3,506,997)	(3,779,262)
<b>Net assets</b>		<u>707,950</u>	<u>525,744</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Revaluation reserve	10	583,558	337,356
Profit and loss account	10	124,391	188,387
		<u>707,950</u>	<u>525,744</u>

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

---

The director considers 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 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:

**D W Cullen**  
Director

Date: 30 June 2020

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**1. General information**

DWC Buildings Limited is a private company limited by shares and registered in Scotland, SC312878. Its registered office address is 1 East Albert Road, Kirkcaldy, Fife, KY1 1HJ.

The principal activity of the company is property investment and rental.

The functional currency of the company is Pounds Sterling as this is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

**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 Going concern**

The directors have carefully considered the impact of COVID-19 on the business. As an investment property business which holds a number of investments for the long term, the directors do not believe there will be any significant or prolonged impact on the business as a result of COVID-19.

In the directors opinion these financial statements should be prepared on a going concern basis.

**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:

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.4 Tangible fixed assets**

Tangible fixed assets 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

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.

**2.5 Investment properties**

Investment properties are included in the Balance Sheet at their open market value in accordance with Financial Reporting Standard 102 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the director, necessary in order to give a true and fair view of the financial position of the company.

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

**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 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.11 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.12 Taxation**

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 directors, during the year was 1 (2018 - 1).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Tangible fixed assets

	Equipment £
<b>Cost</b>	
At 1 January 2019 and 31 December 2019	183,482
<b>Depreciation</b>	
At 1 January 2019	171,904
Charge for the year on owned assets	8,175
At 31 December 2019	<u>180,079</u>
<b>Net book value</b>	
At 31 December 2019	<u>3,403</u>
<b>At 31 December 2018</b>	<u>11,578</u>

5. Fixed asset investments

	Investment properties £
<b>Valuation</b>	
At 1 January 2019	4,326,721
Additions	237,340
Disposals	(366,875)
Revaluations	246,202
At 31 December 2019	<u>4,443,388</u>

The director has reviewed the carrying value of the investment properties at 31 December 2019 and in his opinion, the market value was approximately £4,443,388 (2018 - £4,326,721).



---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**6. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other debtors	82	-
Prepayments	3,674	1,975
	<u>3,756</u>	<u>1,975</u>

**7. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	671	4,368
Other creditors	220,040	-
Accruals and deferred income	27,320	31,076
Corporation tax	-	6,834
Director's loan account (note 11)	155	302
	<u>248,186</u>	<u>42,580</u>

**8. Creditors: Amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings (note 12)	<u>3,506,997</u>	<u>3,779,262</u>

**9. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and partly paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**10. Reserves**

**Profit & loss account**

The profit and loss account comprises all current and prior period retained profits and losses.

**Fair value reserve**

This reserve includes the revaluation of investment properties held, net of deferred tax.

**11. Transactions with directors**

Included within other creditors is an amount of £155 (2018 - £302) due to director, D W Cullen. This amount is unsecured, interest free and has no fixed terms of repayment.

**12. Related party transactions**

The company has chosen to take the exemption available under FRS 102 not to disclose related party transactions which are entered into between two or more members of a group, provided that the subsidiary which is a party to the transactions is wholly owned by such a member.

**13. Post balance sheet events**

On 30 January 2020, the World Health Organization (WHO) declared COVID-19 a 'Public Health Emergency of International Concern'. The directors have considered the impact of the outbreak within the accounting policies. The directors do not consider any adjustments to the reported financial information to be required in relation to this and no post balance sheet events as a result have been identified. The going concern basis of preparation is considered appropriate for the preparation of the financial statements as per note 2.2.

**14. Controlling party**

The ultimate parent undertaking is DWC (Scotland) Limited, a company registered in Scotland SC312322. In the opinion of the director the company is controlled by L Cullen by virtue of her shareholding in the parent company.

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.