

ARMSTRONG & ARMSTRONG LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023**

	Page
Balance Sheet	1
Notes to the Financial Statements	3

ARMSTRONG & ARMSTRONG LIMITED (REGISTERED NUMBER: SC316269)

**BALANCE SHEET
28 FEBRUARY 2023**

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Investment property	4		965,000		965,000
CURRENT ASSETS					
Debtors	5	47,197		33,110	
Cash at bank		<u>32,085</u>		<u>35,559</u>	
		79,282		68,669	
CREDITORS					
Amounts falling due within one year	6	<u>413,277</u>		<u>388,507</u>	
NET CURRENT LIABILITIES			<u>(333,995)</u>		<u>(319,838)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			631,005		645,162
CREDITORS					
Amounts falling due after more than one year	7		(447,063)		(447,063)
PROVISIONS FOR LIABILITIES			<u>(23,000)</u>		<u>(23,000)</u>
NET ASSETS			<u>160,942</u>		<u>175,099</u>
CAPITAL AND RESERVES					
Called up share capital			2		2
Non-distributable reserve			258,963		258,963
Profit and loss account			<u>(98,023)</u>		<u>(83,866)</u>
SHAREHOLDERS' FUNDS			<u>160,942</u>		<u>175,099</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued
28 FEBRUARY 2023

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

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 November 2023 and were signed on its behalf by:

M E M Armstrong - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023**

1. STATUTORY INFORMATION

Armstrong & Armstrong Limited, is a private company, limited by shares, registered in Scotland. The registered office is Caledonia House, 89 Seaward Street, Glasgow, G41 1HJ.

The financial statements are presented in Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from the standard.

Going concern

The financial statements have been prepared on a going concern basis. This is dependent upon the continuing financial support of the directors. After due consideration, the directors consider it appropriate to prepare the financial statements on a going concern basis.

Judgements

The company considers on an annual basis the judgements that are made by management when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements.

The directors consider there are no such significant judgements.

Turnover

Turnover represents rents receivable, excluding value added tax. The company's policy is to recognise rental income on a straight line basis over the term of the lease.

Government grants

Government grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in income in the period in which it becomes receivable.

Investment property

All of the company's properties are held for long term investment. Investment properties are accounted for as follows:

- (i) Investment properties are initially recorded at cost which includes purchase cost and any directly attributable expenditure.
- (ii) Thereafter, investment properties are revalued at each balance sheet date to their fair value, where this can be measured reliably.
- (iii) The surplus or deficit arising on revaluation in the financial year is recognised in the profit and loss account for that year. Revaluation gains and losses are accumulated in the profit and loss account reserve, unless the revaluation amount exceeds original cost in which case, a transfer is made of the surplus to a non-distributable reserve in the balance sheet.
- (iv) Deferred taxation is provided on any gains at the rate expected to apply when a property is sold.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from related parties.

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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

Taxation

Taxation represents the sum of tax currently payable and deferred tax. 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.

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

With the exception of changes arising on the initial recognition of a business combination, the tax expense is presented either in profit or loss, other comprehensive income or statement of changes in equity depending on the transaction that resulted in the tax expense.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Redeemable preference shares

The preference shares are non-voting, redeemable, non participating shares that exhibit the characteristics of a financial liability and as such are recognised as a liability in the balance sheet.

Provisions

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2022 - 2) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

4. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 March 2022	
and 28 February 2023	<u>965,000</u>
NET BOOK VALUE	
At 28 February 2023	<u>965,000</u>
At 28 February 2022	<u>965,000</u>

The fair value of the investment property at 28 February 2023, has been arrived at on the basis of a valuation carried out at that date by the company directors, who are not professionally qualified valuers. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in their location and takes into account the current state of the rental market in the area where the properties are situated.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	29,145	26,138
Other debtors	<u>18,052</u>	<u>6,972</u>
	<u>47,197</u>	<u>33,110</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	11,131	11,613
Taxation and social security	1,287	3,243
Other creditors	<u>400,859</u>	<u>373,651</u>
	<u>413,277</u>	<u>388,507</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Other creditors	<u>447,063</u>	<u>447,063</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Preference shares	<u>447,063</u>	<u>447,063</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

8. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 28 February 2023 and 28 February 2022:

	2023	2022
	£	£
M E M Armstrong		
Balance outstanding at start of year	4,500	10,000
Amounts advanced	19,572	9,300
Amounts repaid	(9,072)	(14,800)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>15,000</u>	<u>4,500</u>

Interest at the official rate is charged on the advance which was repaid within 9 months of the year end.

9. POST BALANCE SHEET EVENTS

Subsequent to the year end, the company sold its investment properties. The properties were sold for £1,044,900 being the market value of the properties at the date of sale.

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.