

Company registration number SC392227

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

**PATERSON ESTATES LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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	<b>Page</b>
Balance sheet	1 - 2
Notes to the financial statements	3 - 9

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# PATERSON ESTATES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	3	2,097	180
Investment property	4	3,350,000	3,350,000
Investments	5	2	2
		<u>3,352,099</u>	<u>3,350,182</u>
<b>Current assets</b>			
Debtors	6	2,532	38,184
Cash at bank and in hand		289,429	1,705,852
		<u>291,961</u>	<u>1,744,036</u>
<b>Creditors: amounts falling due within one year</b>	7	(2,276,631)	(3,724,936)
<b>Net current liabilities</b>		<u>(1,984,670)</u>	<u>(1,980,900)</u>
<b>Total assets less current liabilities</b>		<u>1,367,429</u>	<u>1,369,282</u>
<b>Provisions for liabilities</b>	8	(8,789)	(6,377)
<b>Net assets</b>		<u>1,358,640</u>	<u>1,362,905</u>
<b>Capital and reserves</b>			
Allotted, called up and fully paid share capital		100	100
Profit and loss reserves	10	1,358,540	1,362,805
<b>Total equity</b>		<u>1,358,640</u>	<u>1,362,905</u>

The director of the company has 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 director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have 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.

**PATERSON ESTATES LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2023**

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The financial statements were approved and signed by the director and authorised for issue on 27 November 2023

Mrs S Paterson

**Director**

**Company Registration No. SC392227**

# **PATERSON ESTATES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Company information**

Paterson Estates Limited is a private company limited by shares incorporated in Scotland. The registered office is 42 Old Edinburgh Road, Inverness, IV2 3PG.

#### **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 company has net current liabilities amounting to £1,984,670 (2022 - £1,980,900) mainly as a result of the director's loan to the company. However, the director has agreed to subordinate her loan in favour of the other creditors and to continue to support the company by ensuring it can meet its liabilities as they fall due and therefore consider it appropriate to prepare the accounts on a going concern basis.

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.

#### **1.2 Turnover**

Turnover represents net invoiced rental income and development profits, excluding value added tax and is recognised on a time basis over the period of the lease agreements.

#### **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:

Computers	20% on cost
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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.

# **PATERSON ESTATES LIMITED**

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

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

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#### **1 Accounting policies (Continued)**

##### **1.5 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

##### **1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

##### **1.7 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.

# **PATERSON ESTATES LIMITED**

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

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

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#### **1 Accounting policies (Continued)**

##### **1.8 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.

##### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# PATERSON ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies (Continued)

#### 1.10 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.

##### *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.

#### 1.11 Employee 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.

### 2 Employees

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

	2023 Number	2022 Number
Total	2	1
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**PATERSON ESTATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**3 Tangible fixed assets**

	Computers £
<b>Cost</b>	
At 1 April 2022	10,339
Additions	2,621
	<hr/>
At 31 March 2023	12,960
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2022	10,159
Depreciation charged in the year	704
	<hr/>
At 31 March 2023	10,863
	<hr/>
<b>Carrying amount</b>	
At 31 March 2023	2,097
	<hr/>
At 31 March 2022	180
	<hr/>

**4 Investment property**

	2023 £
<b>Fair value</b>	
At 1 April 2022 and 31 March 2023	3,350,000
	<hr/>

Investment property was revalued at 31 March 2016 by the director to reflect open market value and £525,979 was transferred to non distributable profit and loss reserves. The director is of the opinion that this is a true representation of the value of the assets as at 31 March 2023.

Investment properties are accounted for in accordance with FRS 102 s1A. No depreciation is provided in respect of such properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2023 £	2022 £
Cost	2,824,021	2,824,021
Accumulated depreciation	-	-
	<hr/>	<hr/>
Carrying amount	2,824,021	2,824,021
	<hr/>	<hr/>

**5 Fixed asset investments**

	2023 £	2022 £
Other investments other than loans	2	2
	<hr/>	<hr/>

**PATERSON ESTATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**6 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	-	38,184
Other debtors	1,323	-
Prepayments and accrued income	1,209	-
	<u>2,532</u>	<u>38,184</u>

**7 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	12,458	-
Taxation and social security	1,886	8,438
Other creditors	2,262,287	3,716,498
	<u>2,276,631</u>	<u>3,724,936</u>

**8 Provisions for liabilities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deferred tax liabilities	8,789	6,377

**9 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	399	-
Revaluations	8,390	6,377
	<u>8,789</u>	<u>6,377</u>

**PATERSON ESTATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**9 Deferred taxation (Continued)**

	<b>2023</b>
	<b>£</b>
<b>Movements in the year:</b>	
Liability at 1 April 2022	6,377
Charge to profit or loss	398
Effect of change in tax rate	2,014
	<hr/>
Liability at 31 March 2023	8,789
	<hr/>

**10 Profit and loss reserves**

Included in the figure for Profit and loss account are non-distributable funds of £517,588 (2022 - £519,602).

**11 Related party transactions**

**Transactions with related parties**

During the year the company entered into the following transactions with related parties:

During the year the company received a dividend of £nil (2022 - £114,813) and interest of £nil (2022 - £6,030) from Cameron and Paterson Estates Limited, a company in which Paterson Estates Limited hold a 50% share and in which Sonia Paterson is a director.

At the balance sheet date the company owed the director, Mrs S Paterson, an amount of £2,227,069 (2022 - £3,685,355). This loan is unsecured, interest-free and has no fixed terms of repayment.

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.