

Registration number: SC191312

Crowwood Grange Estates Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2013

THURSDAY



S360QM7E

SCT

17/04/2014

#758

COMPANIES HOUSE

Crowwood Grange Estates Limited
Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13

Crowwood Grange Estates Limited
Company Information

Directors	Simon Barrett Anthony Donnelly Nigel Pacey Paul Rosie
Company secretary	Geoffrey AG Shephard
Registered office	47 Melville Street Edinburgh EH3 7HL
Solicitors	HBJ Gateley Wareing Exchange Tower Canning Street Edinburgh EH3 8EH
Bankers	Bank of Scotland 41 South Gyle Crescent Edinburgh EH12 9BF
Auditors	KPMG LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EG

Crowwood Grange Estates Limited
Directors' Report for the Year Ended 31 December 2013

The directors present their report and the audited financial statements for the year ended 31 December 2013.

Directors of the company

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Simon Barrett

Anthony Donnelly

Nigel Pacey

Paul Rosie

Principal activity

The principal activity of the company is the development of residential estates. The directors intend to continue with this activity in the forthcoming year.

Results and dividend

The result for the year was a profit of £220,603 (2012: £547,309).

The directors do not recommend the payment of a dividend (2012: £400,000).

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006 and will therefore continue in office.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 31 March 2014 and signed on its behalf by:



Anthony Donnelly
Director

Registered in Scotland No: 191312

Registered Office: 47 Melville Street, Edinburgh EH3 7HL

Crowwood Grange Estates Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Crowwood Grange Estates Limited

We have audited the financial statements of Crowwood Grange Estates Limited for the year ended 31 December 2013, set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.


**Independent Auditor's Report to the Members of
Crowwood Grange Estates Limited**

..... continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



.....
Hugh Harvie (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Chartered Accountants and Statutory Auditors

Saltire Court
20 Castle Terrace
EH1 2EG

Date: 14 April 2017

Crowwood Grange Estates Limited
Profit and Loss Account for the Year Ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	4,330,000	3,750,000
Cost of sales		<u>(3,961,868)</u>	<u>(2,891,110)</u>
Gross profit		368,132	858,890
Administrative expenses		<u>(27,957)</u>	<u>(38,769)</u>
Operating profit		340,175	820,121
Other interest receivable and similar income		-	2,734
Interest payable and similar charges	6	<u>(52,744)</u>	<u>(82,978)</u>
Profit on ordinary activities before taxation		287,431	739,877
Tax on profit on ordinary activities	7	<u>(66,828)</u>	<u>(192,568)</u>
Profit for the financial year		<u><u>220,603</u></u>	<u><u>547,309</u></u>

Turnover and operating profit derive wholly from continuing operations.

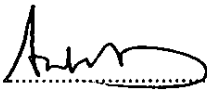
The company has no recognised gains or losses for the year other than the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalent.

Crowwood Grange Estates Limited
(Registration number: SC191312)
Balance Sheet at 31 December 2013

	Note	2013 £	2012 £
Current assets			
Stocks	8	-	1,436,298
Debtors	9	4,302,058	1,941,828
Cash at bank and in hand		<u>484,672</u>	<u>2,385,989</u>
		4,786,730	5,764,115
Creditors: Amounts falling due within one year	10	<u>(3,628,357)</u>	<u>(3,826,445)</u>
Net current assets		1,158,373	1,937,670
Creditors: Amounts falling due after more than one year	11	<u>-</u>	<u>(999,900)</u>
Net assets		<u>1,158,373</u>	<u>937,770</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	14	<u>1,158,273</u>	<u>937,670</u>
Shareholders' funds		<u>1,158,373</u>	<u>937,770</u>

Approved by the Board on 31 March 2014 and signed on its behalf by:



 Anthony Donnelly
 Director

The notes on pages 8 to 13 form an integral part of these financial statements.

Crowwood Grange Estates Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies

The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost basis of accounting and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006

Cash flow statement

Under FRS1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost comprises direct expenditure and overheads incurred in the normal course of the business. Net realisable value is the estimated selling price at the relevant projected sale date less all costs to be incurred ahead of such future date.

Deferred tax

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Accounting for profits

No profit is included in the financial statements in connection with property sales unless a legally binding contract for sale of the development has been entered into and completion has taken place before the year end.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Turnover

Turnover represents the value of property development sales, for properties where legal contracts have been completed during the year, wholly within the UK excluding value added tax.

Crowwood Grange Estates Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... *continued*

3 Operating profit

Operating profit is stated after charging:

	2013	2012
	£	£
Auditor's remuneration - The audit of the company's annual accounts	<u>3,100</u>	<u>3,000</u>

4 Particulars of employees

The company has no directly employed personnel during the year.

5 Directors' remuneration

None of the directors' received any remuneration from the company during the year.

6 Interest payable and similar charges

	2013	2012
	£	£
Interest on bank borrowings	<u>52,744</u>	<u>82,978</u>

Crowwood Grange Estates Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

7 Taxation

Tax on profit on ordinary activities

	2013 £	2012 £
UK Corporation tax	-	-
Deferred tax		
Origination and reversal of timing differences	66,828	181,270
Effect of changes in tax rates	-	11,298
Total deferred tax	66,828	192,568
Total tax on profit on ordinary activities	66,828	192,568

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%).

The differences are reconciled below:

	2013 £	2012 £
Profit on ordinary activities before taxation	287,431	739,877
Corporation tax at standard rate	66,828	181,270
Utilisation of losses	(66,828)	(181,270)
Total current tax	-	-

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. The deferred tax asset at 31 December 2012 has been calculated based on the rate of 23.25% substantively enacted at the balance sheet date.

8 Stocks

	2013 £	2012 £
Work in progress	-	1,436,298

Crowwood Grange Estates Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

9 Debtors

	2013 £	2012 £
Trade debtors	4,300,000	1,875,000
Deferred tax	-	66,828
Other debtors	2,058	-
	<u>4,302,058</u>	<u>1,941,828</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£
At 1 January 2013	66,828
Deferred tax utilised during the year	<u>(66,828)</u>
At 31 December 2013	<u>-</u>

10 Creditors: Amounts falling due within one year

	2013 £	2012 £
Preference shares	999,900	-
Bank loan	-	1,600,000
Trade creditors	3,794	78,007
Amount owed to AWG Residential Limited	282,500	570,000
Amount owed to Russell Developments Limited	282,500	570,000
Other taxes and social security	-	547,492
Accruals and deferred income	<u>2,059,663</u>	<u>460,946</u>
	<u>3,628,357</u>	<u>3,826,445</u>

The bank loan was repaid on 18 December 2013.

11 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Redeemable preference shares of £1 each classified as liabilities under FRS 25 (note 12)	<u>-</u>	<u>999,900</u>

Crowwood Grange Estates Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

12 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
'A' Ordinary Shares of £1 each	50	50	50	50
'B' Ordinary Shares of £1 each	50	50	50	50
Redeemable preference shares of £1 each	999,900	999,900	999,900	999,900
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

Both 'A' and 'B' shares have the same voting rights and rank pari passu as set out in the Memorandum and Articles of Association of the company.

The redeemable preference shares have no voting or income rights.

13 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit for the financial year	220,603	547,309
Dividends	-	(400,000)
Shareholders' funds at 1 January	<u>937,770</u>	<u>790,461</u>
Shareholders' funds at 31 December	<u>1,158,373</u>	<u>937,770</u>

14 Reserves

	Profit and loss account £
At 1 January 2013	937,670
Profit for the financial year	<u>220,603</u>
At 31 December 2013	<u>1,158,273</u>

Crowwood Grange Estates Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

15 Contingent liabilities

The company has a contingent liability in respect of the potential repayment of grant funding received from Scottish Enterprise. The company finalised an agreement with Scottish Enterprise in February 2011 to discharge the user restrictions on the land ("the Section 32 Agreement"). By this agreement Scottish Enterprise consent to the development and use of the land for residential and ancillary purposes.

The grant funding is only repayable on the sale of the land owned by the company dependent on the profits generated from land sales. An amount of £338,174 was paid to Scottish Enterprise in December 2013. The maximum amount of grant funding repayable is £1,656,083.

16 Related party transactions

Russell Developments Limited and AWG Residential Limited jointly control the company, and both own 50% of the share capital.

During the year, AWG Residential Limited, one of the shareholders, received an amount of £570,000 from the company. A management fee of £282,500 was outstanding to AWG Residential at the year end (2012: £570,000).

During the year, Russell Developments, one of the shareholders, received an amount of £570,000 from the company. A management fee of £282,500 was outstanding to Russell Developments at the year end (2012: £570,000). These amounts are disclosed in note 10 on page 11.