

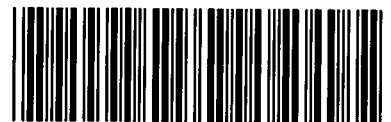
Registered Number: SC463633

Q STREET PROPERTIES (EDINBURGH) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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Q STREET PROPERTIES (EDINBURGH) LIMITED

COMPANY INFORMATION

Directors	B W C McGhee S P King S McQuade L Welsh
Company Number	SC463633
Registered Office	Hamilton House 70 Hamilton Drive Glasgow G12 8DR
Auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Solicitors	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL

Q STREET PROPERTIES (EDINBURGH) LIMITED

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Q STREET PROPERTIES (EDINBURGH) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their strategic report for the year ended 31 March 2019.

Principal Activity

The principal activity of the company is the development and operation of entertainment, leisure and property facilities.

Review of the Business

Sales for the year were £nil (2018: £nil) and the company made an operating loss of £285,302 (2018: loss £3,168). At the end of the year, the company had net assets of £1,160,343 (2018: £1,478,188).

The directors continue to monitor all KPI's within the company and have noted above those that are key to the business.

Future Developments

No significant risks or uncertainties are foreseen by the directors which could impact on the going concern status of this company. There are no intentions for the principal activity of the company to alter in the next financial year. The directors assess that there is no foreseen material risk to the business due to the continuing wider group support and expect the performance for the forthcoming year to be satisfactory.

Going Concern

The company has net current liabilities of £40,582 (2018: £40,700). The company is reliant on the continuing support of its parent company, G1 Group (Holdings) PLC, which has provided the company with a letter of support confirming this is in place for a period of 12 months from the date of signing of the financial statements. Accordingly the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

Principal Risks and Uncertainties

The business review and future developments contains certain forward looking statements that have been made by the directors in good faith based on the information available at the time of approval of the annual report. By their nature, such forward looking statements involve risks and uncertainties because they relate to future events and depend on circumstances that will or may occur in the future.

There are no specific significant risks or uncertainties which are foreseen by the directors at the balance sheet date which would seriously impact the ongoing trade of the business.

This report was approved by the board on 26th August 2019 and signed on its behalf.



S McQuade
Director

Q STREET PROPERTIES (EDINBURGH) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Results and dividend

The loss for the year, after taxation, amounted to £317,845 (2018: £50,435). The directors do not recommend a dividend.

Directors

The directors who served during the year were:

B W C McGhee
S P King
S McQuade
L Welsh

Financial instruments


The company does not actively use financial instruments as part of its financial risk management, with the exception of intercompany borrowings.

Provision of information to auditor

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the board on 26th August 2019 and signed on its behalf.



S McQuade
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2019

The directors are responsible for preparing the strategic report, 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, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting 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;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Q STREET PROPERTIES (EDINBURGH) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Q STREET PROPERTIES (EDINBURGH) LIMITED

Opinion

We have audited the financial statements of Q Street Properties (Edinburgh) Limited ("the Company") for the year ended 31 March 2019 which comprise the profit and loss account, the statement of changes in equity, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Q STREET PROPERTIES (EDINBURGH) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Q STREET PROPERTIES (EDINBURGH) LIMITED (CONTINUED)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the strategic report and the directors' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and director's report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Q STREET PROPERTIES (EDINBURGH) LIMITED (CONTINUED)

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Glasgow, UK

Date

26 August 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Q STREET PROPERTIES (EDINBURGH) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
TURNOVER	1,3	-	-
Selling & distribution expenses		(1,709)	(2,306)
Administrative expenses		(285,622)	(2,032)
Other operating income		2,029	1,170
OPERATING LOSS	4	(285,302)	(3,168)
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION		(285,302)	(3,168)
Interest payable	5	(40,438)	(31,777)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(325,740)	(34,945)
Tax on loss on ordinary activities	6	7,895	(15,490)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(317,845)	(50,435)

All results shown above are in respect of continuing activities.

The notes on pages 10 to 15 form part of these financial statements.

Q STREET PROPERTIES (EDINBURGH) LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019**

	Called-up Share capital £	Profit and loss account £	Total Equity £
At 1 April 2017	100	1,528,523	1,528,623
Loss and total Comprehensive income for the period	-	(50,435)	(50,435)
At 31 March 2018	100	1,478,088	1,478,188
Loss and total Comprehensive income for the year	-	(317,845)	(317,845)
At 31 March 2019	100	1,160,243	1,160,343

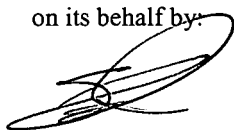
The notes on pages 10 to 15 form part of these financial statements

Q STREET PROPERTIES (EDINBURGH) LIMITED

BALANCE SHEET AS AT 31 MARCH 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible fixed assets	7	2,831,617	3,053,511
DEBTORS: Amounts due within one year	8	331	333
CREDITORS: amounts falling due within one year	9	(40,913)	(41,033)
NET CURRENT LIABILITIES		(40,582)	(40,700)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,791,035	3,012,811
CREDITORS: amounts falling due after more than one year	10	(1,600,915)	(1,496,951)
PROVISION: Deferred tax	11	(29,777)	(37,672)
NET ASSETS		1,160,343	1,478,188
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and loss account		1,160,243	1,478,088
SHAREHOLDERS' FUNDS		1,160,343	1,478,188

The financial statements were approved and authorised for issue by the board on 26th Augst and were signed on its behalf by:



S McQuade
Director

2019

Q Street Properties (Edinburgh) Limited

Registered Number: SC463633

The notes on pages 10 to 15 form part of these financial statements

Q STREET PROPERTIES (EDINBURGH) LIMITED

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

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

Q Street Properties (Edinburgh) Limited is a company incorporated in Scotland under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

In preparing the financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in the ultimate parent company's consolidated financial statements;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.
- No disclosure is given of transactions between wholly owned members of the group to which this company belongs.

The financial statements are prepared in sterling which is the functional currency of the company. No level of rounding has been applied to these financial statements.

The following principal accounting policies have been applied:

1.2. Going Concern

The company has net current liabilities of £40,582 (2018: £40,700). The company is reliant on the continuing support of its parent company, G1 Group (Holdings) PLC, which has provided the company with a letter of support confirming this is in place for a period of 12 months from the date of signing of the financial statements. Accordingly the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

1.3. Turnover

Turnover represents the amount derived from the receipts or receivables, excluding rebates, discounts and value added tax associated with the continuing principal activity of development and operation of entertainment, leisure and property facilities.

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

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	-	2% - 10% straight line
Fixtures and fittings	-	10% - 20% straight line

Freehold land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Depreciation on tangible fixed assets is not charged until the assets are brought into their intended use by the company.

1.5. Deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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 reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.6. Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Q STREET PROPERTIES (EDINBURGH) LIMITED

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

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements.

Taxation

Management establish provisions for taxation based on reasonable estimates, for possible consequences of taxation. The amount of provision is based on various factors. Management's estimation is required to determine the amount of deferred tax asset that can be recognised, based upon likely timing and level of future taxable profits.

Tangible fixed assets

Management have estimated the useful life and residual values of the company's tangible fixed assets. This is based on management's experience of the industry and similar assets held within the group.

3. TURNOVER

The total turnover of the company for the year has been derived from its principal activity. All turnover arose within the United Kingdom. No turnover arose in the current year.

4. OPERATING PROFIT

Directors' remuneration is incurred by a fellow subsidiary company and it is not practicable to allocate a proportion to the company (2018: £nil).

The audit fee for the company is incurred by the intermediate parent company. The audit fee for this company is £1,690 (2018: £1,640).

The company, being a subsidiary, has taken exemption from disclosing non-audit remuneration payable as the required disclosure is made within the parent company statutory accounts.

5. INTEREST PAYABLE

	2019	2018
	£	£
Interest payable on intercompany loans	40,438	31,777
	<u>40,438</u>	<u>31,777</u>

Q STREET PROPERTIES (EDINBURGH) LIMITED

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

6. TAXATION

- a) The tax charge is based on profit for the period and comprises:

	2019 £	2018 £
Current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(7,895)	15,490
Tax on profit on ordinary activities	(7,895)	15,490

- b) The tax assessed for the period differs from the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before taxation	(325,740)	(34,945)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(61,891)	(6,640)
<i>Effects of:</i>		
Fixed asset differences	30,956	-
Group relief	22,110	23,952
Adjust closing deferred tax	930	(1,822)
Current tax charge for the year	(7,895)	15,490

Changes to the UK corporation tax were enacted in October 2015 reducing the main rate of corporation tax to 19% from 1 April 2017 and 18% from 1 April 2020. As these changes were substantially enacted before balance sheet date, their effects have been included within the financial statements. Any further changes enacted after balance sheet date have not been incorporated.

Q STREET PROPERTIES (EDINBURGH) LIMITED

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

7. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2018	1,471,178	1,592,905	3,064,083
Additions	58,575	5,153	63,728
At 31 March 2019	1,529,753	1,598,058	3,127,811
Depreciation			
At 1 April 2018	1,763	8,809	10,572
Charge for the year	30,757	254,865	285,622
At 31 March 2019	32,520	263,674	296,194
Net book value			
At 31 March 2019	1,497,233	1,334,384	2,831,617
At 31 March 2018	1,469,415	1,584,096	3,053,511

8. DEBTORS

	2019	2018
	£	£
Trade debtors	156	156
Tax and social security	175	177
	331	333

9. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Amounts owed to group undertakings	188	7,855
Deferred income	130	130
Accruals and deferred income	40,595	33,048
	40,913	41,033

10. CREDITORS: Amounts falling due after more than one year

	2019	2018
	£	£
Amounts owed to group undertakings	1,122,657	1,496,951
Amounts owed to related parties	478,258	-
	1,600,915	1,496,951

Q STREET PROPERTIES (EDINBURGH) LIMITED

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

11. DEFERRED TAXATION

	2019	2018
	£	£
At 1 April 2018	37,672	22,182
Charged in the year	(7,895)	15,490
At 31 March 2019	<u>29,777</u>	<u>37,672</u>

The provision for deferred taxation is made up as follows:

	2019	2018
	£	£
Accelerated capital allowances	<u>29,777</u>	<u>37,672</u>

12. SHARE CAPITAL

	2019	2018
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

13. RELATED PARTY TRANSACTIONS

Sales and purchases between related parties are made at normal market prices. Outstanding balances with related entities due less than one year are interest free. Balances due greater than one year are charged interest at a rate of 1.75% plus LIBOR. The closing balances are disclosed in notes 9 and 10. The company has taken advantage of exemption, under the terms of 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose transactions between wholly owned subsidiaries within the group.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is G1 Group (Holdings) PLC, a company registered in Scotland. Consolidated accounts are available from the company's registered office. In the opinion of the directors, this is the ultimate parent company. The ultimate controlling party is S.P. King.