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Registration number: SC216154

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# St Vincent Street Developments Limited

Annual Report and Financial Statements

for the Year Ended 28 February 2019



## St Vincent Street Developments Limited

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# St Vincent Street Developments Limited

## Company Information

<b>Directors</b>	S C McCabe Esplanade Director Limited K C McCabe
<b>Company secretary</b>	Esplanade Secretarial Services Limited
<b>Registered office</b>	C/O Shepherd + Wedderburn 1 Exchange Crescent Conference Square Edinburgh EH3 8UL
<b>Auditors</b>	Mazars LLP 5th Floor 3 Wellington Place Leeds LS1 4AP

## St Vincent Street Developments Limited

### Directors' Report for the Year Ended 28 February 2019

The Directors present their report and the financial statements for the year ended 28 February 2019.

#### Directors of the Company

The directors who held office during the year were as follows:

S C McCabe

Esplanade Director Limited

K C McCabe (appointed 30 July 2018)

#### 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 of which they know the auditors are unaware.

#### Impact of Brexit upon the Company

The Directors have considered the uncertainties regarding the withdrawal from the EU, however they do not believe that there will be a material impact as a result of this.

#### Going Concern

The Directors' assessment of the going concern status of the company is detailed in note 2 of these financial statements.

#### Dividends

The directors recommend a final dividend payment of £Nil (2018:Nil) be made in respect of the financial year ended 28 February 2019.

#### Auditors

Mazars LLP continue in office in accordance with section 487(2) Companies Act 2006.

#### Small companies provision statement

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

Approved by the Board on 22 November 2019 and signed on its behalf by:



.....  
J J Tutton  
for and on behalf of Esplanade Secretarial Services Limited  
Company secretary

## **St Vincent Street Developments 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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

## St Vincent Street Developments Limited

### Independent Auditor's Report to the members of St Vincent Street Developments Limited

#### Opinion

We have audited the financial statements of St Vincent Street Developments Limited (the 'Company') for the year ended 28 February 2019 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 FRS 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 28 February 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.

#### The impact of uncertainties due to Britain exiting the European Union on our audit

The Directors' view on the impact of Brexit is disclosed on page 2.

The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the company's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

#### 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.

## St Vincent Street Developments Limited

### Independent Auditor's Report to the members of St Vincent Street Developments Limited

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, other than the financial statements and our auditor's report thereon. 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.*

#### Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In 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 Directors' Report.

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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies exemption from the requirement to prepare a Strategic report.

#### Responsibilities of Directors

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, 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.

## St Vincent Street Developments Limited

### Independent Auditor's Report to the members of St Vincent Street Developments Limited

#### 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 on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of the audit 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.



.....  
David Smithson (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor

5th Floor  
3 Wellington Place  
Leeds  
LS1 4AP

Date: 22 November 2019



## St Vincent Street Developments Limited

### Profit and Loss Account for the Year Ended 28 February 2019

	Note	2019 £	2018 £
Turnover	3	11,607	1,204,693
Cost of sales	4	<u>(17,710)</u>	<u>(865,078)</u>
Gross (loss)/profit		(6,103)	339,615
Administrative expenses		<u>(13,200)</u>	<u>(36,424)</u>
Operating (loss)/profit		(19,303)	303,191
Other interest receivable and similar income	5	-	68
Interest payable and similar charges	6	<u>(13,016)</u>	<u>(39,057)</u>
(Loss)/profit before tax		<u>(32,319)</u>	<u>264,202</u>
(Loss)/profit for the financial year		<u><u>(32,319)</u></u>	<u><u>264,202</u></u>

The above results were derived from continuing operations.

## St Vincent Street Developments Limited

### Statement of Comprehensive Income for the Year Ended 28 February 2019

	Note	2019 £	2018 £
(Loss)/profit for the year		<u>(32,319)</u>	<u>264,202</u>
Total comprehensive income for the year		<u><u>(32,319)</u></u>	<u><u>264,202</u></u>

The notes on pages 11 to 16 form an integral part of these financial statements.

## St Vincent Street Developments Limited

(Registration number: SC216154)  
Balance Sheet as at 28 February 2019

	Note	2019 £	2018 £
<b>Current assets</b>			
Stocks	9	343,069	343,069
Debtors	10	<u>3,280</u>	<u>6,479</u>
		346,349	349,548
<b>Creditors: Amounts falling due within one year</b>	11	<u>(313,589)</u>	<u>(284,469)</u>
<b>Net assets</b>		<u>32,760</u>	<u>65,079</u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Profit and loss account		<u>32,759</u>	<u>65,078</u>
<b>Total equity</b>		<u>32,760</u>	<u>65,079</u>

Approved and authorised by the Board on 22 November 2019 and signed on its behalf by:



J J Tutton  
for and on behalf of Esplanade Director Limited

Director

The notes on pages 11 to 16 form an integral part of these financial statements.

**St Vincent Street Developments Limited**

**Statement of Changes in Equity for the Year Ended 28 February 2019**

	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 March 2018	1	65,078	65,079
Loss for the year	-	(32,319)	(32,319)
Total comprehensive income	-	(32,319)	(32,319)
At 28 February 2019	1	32,759	32,760
	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 March 2017	1	(199,124)	(199,123)
Profit for the year	-	264,202	264,202
Total comprehensive income	-	264,202	264,202
At 28 February 2018	1	65,078	65,079

The notes on pages 11 to 16 form an integral part of these financial statements.

## St Vincent Street Developments Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### 1 General information

The company is a private company limited by share capital incorporated in Scotland.

The principal activity of the company is property development and trading.

The address of its registered office is:

C/O Shepherd + Wedderburn

1 Exchange Crescent

Conference Square

Edinburgh

EH3 8UL

UK

The principal place of business is:

2nd Floor

Building 3125

Century Way

Thorpe Park

Leeds

LS15 8ZB

These financial statements were authorised for issue by the Board on 22 November 2019.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### Summary of disclosure exemptions

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, includes the Company's cash flows in its own consolidated financial statements.

The Company has taken the exemption under FRS 102 paragraph 1.12(c), from disclosing the carrying value of financial instruments not measured at fair value on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, discloses the carrying value of financial instruments in its own consolidated financial statements..

## **St Vincent Street Developments Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2019**

#### **Critical accounting estimates and assumptions**

##### **Stock provisioning**

The value of the company's property assets is affected by market conditions. During the preparation of these financial statements, key management have given consideration to the carrying value of trading properties and development sites to determine if any stock provision is required. When making this judgement, key management have referred to a mixture of independent, external property valuation reports and internally prepared development appraisals.

##### **Going concern**

The financial statements have been prepared on a going concern basis as the parent company has confirmed that it will continue to provide financial support for the foreseeable future to the company and will not seek repayment of amounts due from the company unless it is able to do so.

##### **Revenue recognition**

Proceeds received on the sale of properties are recognised on unconditional exchange of contract. Rental income accrues on a daily basis.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

##### **Stocks**

Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of land and the cost incurred to date on developing the land. Net realisable value is based on selling price after taking into account all further costs expected to be incurred on disposal.

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

## St Vincent Street Developments Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### 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 debtors and creditors, loans from banks and loans to related parties.

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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

#### 3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2019 £	2018 £
Rental income	11,607	49,693
Sale of stock property	-	1,155,000
	<u>11,607</u>	<u>1,204,693</u>

The Company's rental income is derived from operating leases that are in place with tenants who occupy the portfolio of properties that are held for resale. The Company has the following future minimum lease payments receivable under non-cancellable operating leases expiring for each of the following periods:

	2019 £	2018 £
Within 1 year	10,989	7,000
	<u>10,989</u>	<u>7,000</u>

The Company's operating leases typically require the tenants to be responsible for paying for repairing and insuring the property and include clauses allowing for rent reviews at certain points during the lease. The leases do not contain contingent rents.

## St Vincent Street Developments Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### 4 Cost of sales

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Stock properties recognised as an expense	-	837,618
Cost of sales - property rental costs	17,707	27,461
	<u>17,707</u>	<u>865,079</u>

#### 5 Other interest receivable and similar income

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other interest receivable	-	68
	<u>-</u>	<u>68</u>

#### 6 Interest payable and similar charges

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Interest payable to group undertakings	13,016	39,057
	<u>13,016</u>	<u>39,057</u>

#### 7 Particulars of employees

The average number of employees (excluding directors) during the year was nil (2018: nil).

No emoluments were paid to directors during the year (2018: nil).

#### 8 Taxation

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Total tax on loss/profit on ordinary activities	-	-
	<u>-</u>	<u>-</u>

The tax on profit before tax for the year is different from the standard rate of corporation tax in the UK of 19% (2018: 19.09%).

The differences are reconciled below:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before tax	(32,319)	264,202
Corporation tax at standard rate	(6,141)	50,424
Tax increase (decrease) from effect of unrelieved tax losses carried forward	6,141	(40,094)
Tax increase (decrease) arising from group relief	-	(10,330)
Total tax charge/(credit)	<u>-</u>	<u>-</u>



## St Vincent Street Developments Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 17% (effective from 1 April 2020) was substantively enacted in September 2016 and has therefore been considered when calculating tax and any deferred tax balances at the reporting date.

#### 9 Stocks

	2019 £	2018 £
Property held for resale	<u>343,069</u>	<u>343,069</u>

#### 10 Debtors

	2019 £	2018 £
Trade debtors	-	900
Prepayments	3,280	2,349
Accrued income	-	3,230
	<u>3,280</u>	<u>6,479</u>

#### 11 Creditors

	Note	2019 £	2018 £
<b>Due within one year</b>			
Trade creditors		4,066	85
Amounts due to group undertakings	14	309,459	284,384
Accrued expenses		64	-
		<u>313,589</u>	<u>284,469</u>

## St Vincent Street Developments Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### 12 Share capital

##### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### 13 Contingent liabilities

The company is party to a cross guarantee covering the bank loans of Scarborough Property Developments Limited and Scarborough Property (UK) Limited which are both subsidiaries of Scarborough Group International Limited. As at 28 February 2019, the total loan balance was £2,401,937 (2018: £6,889,538). The borrowing was secured by a standard security over fixed assets and a bond and floating charge over all the assets of the respective companies.

#### 14 Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### 15 Controlling entity

The company is controlled by the immediate parent company, Scarborough Property Developments Limited, a company registered in England and Wales.

Scarborough Holdings (UK) Limited is the parent undertaking of the smallest group for which group accounts are drawn up and of which the company is a member. Copies of the accounts of Scarborough Holdings (UK) Limited can be obtained from: Europa House, 20 Esplanade, Scarborough, YO11 2AQ.

The ultimate parent company is Scarborough Group International Limited, a company registered in Scotland. Scarborough Group International Limited is also the parent undertaking of the largest group for which accounts are drawn up and of which the company is a member. Copies of the accounts of Scarborough Group International Limited can be obtained from: C/O Shepherd + Wedderburn, 1 Exchange Crescent, Conference Square, Edinburgh, EH3 8UL, Scotland.

The ultimate controlling party is K C McCabe.