



Alexander Sloan
Accountants and Business Advisers

STOCKETHILL HOMES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Company Registration No. SC468688 (Scotland)

STOCKETHILL HOMES LIMITED

COMPANY INFORMATION

| | | |
|--------------------------|--|--|
| Directors | James Knowles Mr Roy Stewart Mr Cathal Lynch | (Appointed 31 January 2019) (Appointed 31 January 2019) |
| Secretary | Helen Gauld | |
| Company number | SC468688 | |
| Registered office | 680 King Street Aberdeen AB24 1SL | |
| Auditor | Alexander Sloan 180 St Vincent Street Glasgow G2 5SG | |
| Solicitors | Grant Smith Law Practice Amicable House 252 Union Street Aberdeen AB10 1TN | |

STOCKETHILL HOMES LIMITED

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STOCKETHILL HOMES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

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

Principal activities

The principal activity of the company is the provision of rented accommodation.

Directors

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

James Knowles

Mr Roy Stewart

(Appointed 31 January 2019)

Mr Cathal Lynch

(Appointed 31 January 2019)

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Alexander Sloan as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The financial statements have been prepared on a going concern basis on the understanding that the company will have the continued financial support of its parent undertaking.

Charitable Donations

During the period the company made charitable donations amounting to £Nil (2018 - £Nil) to the parent company.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


James Knowles

Director

Date: 19/8/19

STOCKETHILL HOMES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The directors are responsible for preparing the annual 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;
- 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.

STOCKETHILL HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF STOCKETHILL HOMES LIMITED

Opinion

We have audited the financial statements of Stockethill Homes Limited (the 'company') for the year ended 31 March 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 31 March 2019 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.

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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.

Opinions on other matters prescribed by the Companies Act 2006

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

STOCKETHILL HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF STOCKETHILL HOMES LIMITED

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 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 prepare the financial statements in accordance with the small companies regime and 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 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 on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.


Kevin Booth (Senior Statutory Auditor)
for and on behalf of Alexander Sloan

Accountants and Business Advisers
Statutory Auditor

19 August 2019
.....

180 St Vincent Street
Glasgow
G2 5SG

STOCKETHILL HOMES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

| | Notes | 2019 £ | 2018 £ |
|---|-------|----------------------|-----------------------|
| Turnover | 3 | 273,408 | 270,325 |
| Cost of sales | | (251,273) | (268,732) |
| Gross profit | | <u>22,135</u> | <u>1,593</u> |
| Administrative expenses | | (4,845) | (8,326) |
| Profit/(loss) before taxation | | <u>17,290</u> | <u>(6,733)</u> |
| Tax on profit/(loss) | 6 | (744) | - |
| Profit/(loss) for the financial year | | <u><u>16,546</u></u> | <u><u>(6,733)</u></u> |

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 12 form an integral part of these financial statements.

STOCKETHILL HOMES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

| | 2019 £ | 2018 £ |
|--|---------------|----------------|
| Profit/(loss) for the year | 16,546 | (6,733) |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>16,546</u> | <u>(6,733)</u> |

STOCKETHILL HOMES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|---|-------|-----------------|--------------|-----------------|-----------------|
| Current assets | | | | | |
| Debtors | 8 | 29,511 | | 23,008 | |
| Cash at bank and in hand | | 4,303 | | 18,910 | |
| | | <u>33,814</u> | | <u>41,918</u> | |
| Creditors: amounts falling due within one year | 9 | <u>(30,640)</u> | | <u>(55,290)</u> | |
| Net current assets/(liabilities) | | | <u>3,174</u> | | <u>(13,372)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | 1 | | 1 |
| Profit and loss reserves | | | 3,173 | | (13,373) |
| Total equity | | | <u>3,174</u> | | <u>(13,372)</u> |

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

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:


James Knowles
Director

Company Registration No. SC468688

The notes on pages 9 to 12 form an integral part of these financial statements.

STOCKETHILL HOMES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

| | Share capital | Profit and loss reserves | Total |
|--|-----------------|--------------------------|---------------------|
| | £ | £ | £ |
| Balance at 1 April 2017 | 1 | (6,640) | (6,639) |
| Year ended 31 March 2018: | | | |
| Loss and total comprehensive income for the year | - | (6,733) | (6,733) |
| Balance at 31 March 2018 | <u>1</u> | <u>(13,373)</u> | <u>(13,372)</u> |
| Year ended 31 March 2019: | | | |
| Profit and total comprehensive income for the year | - | 16,546 | 16,546 |
| Balance at 31 March 2019 | <u><u>1</u></u> | <u><u>3,173</u></u> | <u><u>3,174</u></u> |

The notes on pages 9 to 12 form an integral part of these financial statements.

STOCKETHILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

These financial statements are consolidated in the financial statements of Langstane Housing Association Limited.

The financial statements of Langstane Housing Association may be obtained from 680 King Street, Aberdeen, AB24 1SL.

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.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis on the understanding that the company will have the continued support of its parent undertaking.

1.3 Turnover

Turnover represents the rental income due for the year.

1.4 Cash at bank and in hand

Cash and cash equivalents comprise of cash at bank and in hand.

1.5 Equity instruments

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.

1.6 Taxation

The tax expense represents the sum of the tax currently payable.

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.

1.7 Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

1.8 Trade debtors

Trade debtors are amounts due from customers for rent and service charges in the ordinary course of business.

STOCKETHILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.9 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 12 months after the reporting date. If there is an unconditional right to defer settlement for at least 12 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

| | 2019 | 2018 |
|-----------------|-------------------|-------------------|
| | £ | £ |
| Rent | 258,990 | 256,742 |
| Service charges | 14,418 | 13,583 |
| | <u> </u> | <u> </u> |

4 Operating profit/(loss)

| | 2019 | 2018 |
|--|-------------------|-------------------|
| | £ | £ |
| Operating profit/(loss) for the year is stated after charging: | | |
| Operating lease charges | 181,316 | 181,317 |
| | <u> </u> | <u> </u> |

5 Auditor's remuneration

| | 2019 | 2018 |
|---|-------------------|-------------------|
| | £ | £ |
| Fees payable to the company's auditor and associates: | | |
| For audit services | | |
| Audit of the financial statements of the company | 2,040 | 1,980 |
| | <u> </u> | <u> </u> |

6 Taxation

| | 2019 | 2018 |
|--|-------------------|-------------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | 744 | - |
| | <u> </u> | <u> </u> |

STOCKETHILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

| | 2019 £ | 2018 £ |
|---|-----------|-----------|
| Profit/(loss) before taxation | 17,290 | (6,733) |
| Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%) | 3,285 | (1,279) |
| Unutilised tax losses carried forward | (2,541) | 1,279 |
| Taxation charge for the year | 744 | - |
| 7 Financial instruments | | |
| | 2019 £ | 2018 £ |
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 33,814 | 41,918 |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 29,896 | 55,290 |
| 8 Debtors | | |
| | 2019 £ | 2018 £ |
| Amounts falling due within one year: | | |
| Trade debtors | 3,605 | 3,212 |
| Amounts owed by group undertakings | 4,373 | - |
| Other debtors | 21,533 | 19,796 |
| | 29,511 | 23,008 |
| 9 Creditors: amounts falling due within one year | | |
| | 2019 £ | 2018 £ |
| Amounts owed to group undertakings | - | 28,502 |
| Corporation tax | 744 | - |
| Other creditors | 22,700 | 21,800 |
| Accruals and deferred income | 7,196 | 4,988 |
| | 30,640 | 55,290 |

STOCKETHILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Share capital

| | 2019 | 2018 |
|---|----------|----------|
| | £ | £ |
| Ordinary share capital Issued and fully paid | | |
| 1 Ordinary share of £1 each | 1 | 1 |
| | <u>1</u> | <u>1</u> |
| | <u>1</u> | <u>1</u> |

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2019 | 2018 |
|-----------------|----------------|----------------|
| | £ | £ |
| Within one year | 181,316 | 181,316 |
| | <u>181,316</u> | <u>181,316</u> |

12 Related Party Transactions

As a wholly owned subsidiary of Langstane Housing Association Limited, the Company is exempt from the requirements of FRS102 to disclose transactions with other group members.

13 Controlling party

The company's immediate parent is Langstane Housing Association Limited, incorporated in the United Kingdom.

The following pages do not form part of the statutory accounts

STOCKETHILL HOMES LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

| | | 2019 | | 2018 |
|----------------------------------|---------|------------------|------------------|----------------|
| | £ | £ | £ | £ |
| Turnover | | | | |
| Rent | | 258,990 | | 256,742 |
| Service charges | | 14,418 | | 13,583 |
| | | <u>273,408</u> | | <u>270,325</u> |
| Cost of sales | | | | |
| Void loss | 2,610 | | 27,027 | |
| Rent re operating leases | 181,316 | | 181,317 | |
| Service charge payable | 34,596 | | 31,158 | |
| Property repairs and maintenance | 21,463 | | 14,838 | |
| Premises insurance | 2,942 | | 2,679 | |
| Management charges | 8,346 | | 11,713 | |
| | | <u>(251,273)</u> | <u>(268,732)</u> | |
| Gross profit | | 22,135 | | 1,593 |
| Administrative expenses | | <u>(4,845)</u> | | <u>(8,326)</u> |
| Operating profit/(loss) | | <u>17,290</u> | | <u>(6,733)</u> |

STOCKETHILL HOMES LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2019

| | 2019 | 2018 |
|---|--------------|--------------|
| | £ | £ |
| Administrative expenses | | |
| Non audit remuneration paid to auditors | 1,562 | 722 |
| Audit fees | 2,040 | 1,980 |
| Bank charges | 1,040 | 939 |
| Bad and doubtful debts | 203 | 4,685 |
| | <u>4,845</u> | <u>8,326</u> |
