

Company registration number SC573272 (Scotland)

15.08.2017 PROPCO LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024
PAGES FOR FILING WITH REGISTRAR

15.08.2017 PROPCO LIMITED

COMPANY INFORMATION

Directors	Mr A H Povlsen Ms Lise Kaae
Secretary	Ms Lise Kaae
Company number	SC573272
Registered office	C/O Brodies LLP Capital Square 58 Morrison Street Edinburgh United Kingdom EH3 8BP
Auditor	Azets Audit Services 5 Whitefriars Crescent Perth United Kingdom PH2 0PA

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BALANCE SHEET

AS AT 31 JULY 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Investment property	4		44,628,249		41,055,877
Current assets					
Debtors	5	1,489,865		688,828	
Cash at bank and in hand		22,704		10,223	
		<u>1,512,569</u>		<u>699,051</u>	
Creditors: amounts falling due within one year	6	<u>(30,613,424)</u>		<u>(25,086,939)</u>	
Net current liabilities			<u>(29,100,855)</u>		<u>(24,387,888)</u>
Net assets			<u>15,527,394</u>		<u>16,667,989</u>
Capital and reserves					
Called up share capital	7		39,550,001		39,550,001
Profit and loss reserves			<u>(24,022,607)</u>		<u>(22,882,012)</u>
Total equity			<u>15,527,394</u>		<u>16,667,989</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 12 November 2024 and are signed on its behalf by:

Mr A H Povlsen
Director

Company Registration No. SC573272

15.08.2017 PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

Company information

15.08.2017 Propco Limited is a private company limited by shares incorporated in Scotland. The registered office is C/O Brodies LLP, Capital Square, 58 Morrison Street, Edinburgh, United Kingdom, EH3 8BP.

With effect from 7 August 2024, the name of the company was changed from 15.08.2017 Limited to 15.08.2017 Propco Limited.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements have been prepared on the going concern basis. However, the company is reliant on the continued support of the parent company, AAA United A/S Limited, to continue trading, especially under the current economic conditions which have led to the decision being made to cease letting and renovate the building.

1.3 Turnover

Turnover represents rental income receivable and recharge of property expenses, excluding value added tax.

1.4 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

15.08.2017 PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

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

1.8 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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 Employees

The average monthly number of persons employed by the company during the year was:

	2024 Number	2023 Number
Total	-	-

15.08.2017 PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

4 Investment property

	2024 £
Fair value	
At 1 August 2023	41,055,877
Additions	3,572,372
At 31 July 2024	<u>44,628,249</u>

As the property is subject to a proposed redevelopment plan, the directors have continued to carry the property at the fair value determined at 31 July 2020. The valuations at 31 July 2020 were made on an open market value basis. Additions in relation to the redevelopment plan, from 2021 - 2024 inclusive, have been included at cost.

5 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Amounts owed by group undertakings	993,069	-
Other debtors	365,265	658,306
Prepayments and accrued income	131,531	30,522
	<u>1,489,865</u>	<u>688,828</u>

6 Creditors: amounts falling due within one year

	2024 £	2023 £
Other borrowings	29,868,552	24,858,530
Trade creditors	571,736	167,972
Accruals and deferred income	173,136	60,437
	<u>30,613,424</u>	<u>25,086,939</u>

7 Called up share capital

	2024 Number	2023 Number	2024 £	2023 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	39,550,001	39,550,001	39,550,001	39,550,001

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

8 Audit report information (Continued)

Senior Statutory Auditor:	Sally Cheeney
Statutory Auditor:	Azets Audit Services

9 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2024	2023
	£	£
Acquisition of tangible fixed assets	58,028,924	-

10 Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

11 Parent company

Heartland A/S (incorporated in Denmark) is regarded by the directors as being the company's ultimate parent company.

The ultimate controlling party is A H Povlsen.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.