

DRUM PROPERTY INVESTMENT GROUP LIMITED

UNAUDITED

**INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2023**

DRUM PROPERTY INVESTMENT GROUP LIMITED

COMPANY INFORMATION

Directors	G M Bone S C Oag
Registered number	SC658205
Registered office	12 Rubislaw Terrace Lane Aberdeen AB10 1XF
Accountants	AAB Business & Tax Advisory LLP Chartered Accountants Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU

DRUM PROPERTY INVESTMENT GROUP LIMITED

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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

**DRUM PROPERTY INVESTMENT GROUP LIMITED
REGISTERED NUMBER:SC658205**

**BALANCE SHEET
AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
Fixed assets			
Investments	4	10,935,562	10,860,268

			<u>10,935,562</u>	<u>10,860,268</u>
Current assets				
Debtors: amounts falling due within one year	5	14,859,295	1,567,484	
Cash at bank and in hand	6	138,556	21,213	
		<u>14,997,851</u>	<u>1,588,697</u>	
Creditors: amounts falling due within one year	7	(1,306,493)	(4,559,343)	
Net current assets/(liabilities)			<u>13,691,358</u>	<u>(2,970,646)</u>
Total assets less current liabilities			<u>24,626,920</u>	<u>7,889,622</u>
Creditors: amounts falling due after more than one year			(16,720,457)	-
Net assets			<u><u>7,906,463</u></u>	<u><u>7,889,622</u></u>
Capital and reserves				
Called up share capital	10	2,004	2,004	
Merger reserve		8,138,798	8,138,798	
Profit and loss account		(234,339)	(251,180)	
		<u><u>7,906,463</u></u>	<u><u>7,889,622</u></u>	

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

DRUM PROPERTY INVESTMENT GROUP LIMITED
REGISTERED NUMBER:SC658205

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

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

S C Oag
Director

Date: 23 September 2024

The notes on pages 4 to 10 form part of these financial statements.

1. General information

Drum Property Investment Group Limited is a limited liability company incorporated in Scotland whose registered office is 12 Rubislaw Terrace Lane, Aberdeen, AB10 1XF. The principal activity of the company is that of an investment holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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.

The following principal accounting policies have been applied:

2.2 Going concern

The directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and 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 balance sheet date in the countries where the Company operates and generates income.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The Company has elected to apply the provisions of Section 11 “Basic Financial Instruments” 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.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

DRUM PROPERTY INVESTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.9 Financial instruments (continued)

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

DRUM PROPERTY INVESTMENT GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****3. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Directors	<u>2</u>	<u>2</u>

4. Fixed asset investments

	Investments in subsidiary companies	Listed investments	Other fixed asset investments	Total
	£	£	£	£
Cost or valuation				
At 1 January 2023	6,520,000	1,265,895	3,074,373	10,860,268
Additions	-	-	115,000	115,000
Revaluations	-	(77,338)	37,632	(39,706)
At 31 December 2023	<u>6,520,000</u>	<u>1,188,557</u>	<u>3,227,005</u>	<u>10,935,562</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Drum Investments Limited	12 Rubislaw Terrace Lane, Aberdeen, AB10 1XF	Ordinary	100%
Drum Commercial Asset Investments Limited	12 Rubislaw Terrace Lane, Aberdeen, AB10 1XF	Ordinary	100%
Drum Riverview Limited	12 Rubislaw Terrace Lane, Aberdeen, AB10 1XF	Ordinary	100%
Drum (Steads Place) Limited	12 Rubislaw Terrace Lane, Aberdeen, AB10 1XF	Ordinary	100%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Debtors

	2023 £	2022 £
Amounts owed by group undertakings	14,857,826	1,453,700
Other debtors	1	113,784
Prepayments and accrued income	1,468	-
	<u>14,859,295</u>	<u>1,567,484</u>

6. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>138,556</u>	<u>21,213</u>

7. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	504	-
Amounts owed to group undertakings	-	930,000
Amounts owed to related undertaking	1,295,660	3,619,700
Corporation tax	1,062	-
Accruals and deferred income	9,267	9,643
	<u>1,306,493</u>	<u>4,559,343</u>

8. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other creditors	16,720,457	-

<u>16,720,457</u>	<u>-</u>
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The other creditor balance relates to amounts owed to the principal shareholder Graeme Bone. The loan is unsecured and non interest bearing.

9. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,327,113</u>	<u>21,213</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

10. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
4,007 (2022 - 4,007) B Ordinary shares of £0.50 each	<u>2,004</u>	<u>2,004</u>

DRUM PROPERTY INVESTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Related party transactions

The company has taken advantage of the exemption given by section 1AC.35 of Financial Reporting Standard 102 which allows exemption from disclosure of related party transactions with other group companies.

During the year the company received loans from companies with common directors amounting to £nil (2022 - £936,000) and repaid loans amounting £2,324,040 during the year. At the year end the amounts owed to these companies totalled £1,295,660 (2022 - £3,619,700).

During the year the company has received a loan from a director totalling £16,870,292 and repaid amounts due to the director of £149,835. At the year the amount owed to the directors was £16,720,457.

12. Controlling party

Throughout the year the company was controlled by G M Bone.