The implications of the abandonment of The Shore, Loch Lomond

Description



The Loch Lomond and Trossachs National Park Gateway Centre November 2017

A story in the Daily Record last week, about how a bride and groom who found their wedding venue at Balloch abandoned (see here), provides further evidence of the disastrous consequences of the National Park Authorityâ??s commercialisation policy and its murky relationship with David Moulsdale, the founder of Optical Express.

The wedding venue was located in the former National Park Gateway Centre, originally conceived as a place where the thousands of people who visit Balloch each year could learn about the National Park.

The Loch Lomond and Trossachs National Park Authority (LLTNPA) then decided to abandon its responsibilities to the public and go commercial. Documentation considered by their Board in December 2018 (see here) and (here) shows the LLTNPA had leased out the building until 2033 to a company called The Shore Loch Lomond Ltd which, in 2019, David Moulsdale described as â??our second events venueâ?• (see here). Despite the LLTNPA suspending rents for its â??commercialâ?• property for part of lockdown, it appears that lease may now be in tatters.

The history of The Shore Loch Lomond Ltd and the implications for the LLTNPA

The company was set up in 2016, with a single Director, Kim Wilson. The Articles of Association show all 100 of the Â£1 shares owned by another company called 200 SVS Ltd. 200 SVS is short for 200 St Vincent St, where Optical Express has an office and where the second events venue referred to by Mr Moulsdale appears to be located. There is, however, nothing else on the Companies House website (see here) that reveals the relationship between the two companies, no references in the Shoreâ??s accounts to related companies and no declaration of another entity or person having significant control.

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The Shore has filed three sets of micro company accounts at Companies House since its creation, each of which show a balance sheet of exactly Â£100, i.e the shares owned by 200 SVS Ltd. That suggests the company has not traded and would fit with the deposit of the unhappy couple in the Daily Record story being passed on to 200 SVS Ltd to try and get their money back. While The Shore is not recorded as being a dormant company, and it is possible therefore that the static balance sheet can be explained by income and expenditure matching exactly for three successive years, it is valid to ask whether it ever paid the LLTNPA rent for the Gateway Building and, if not, whether anyone did?

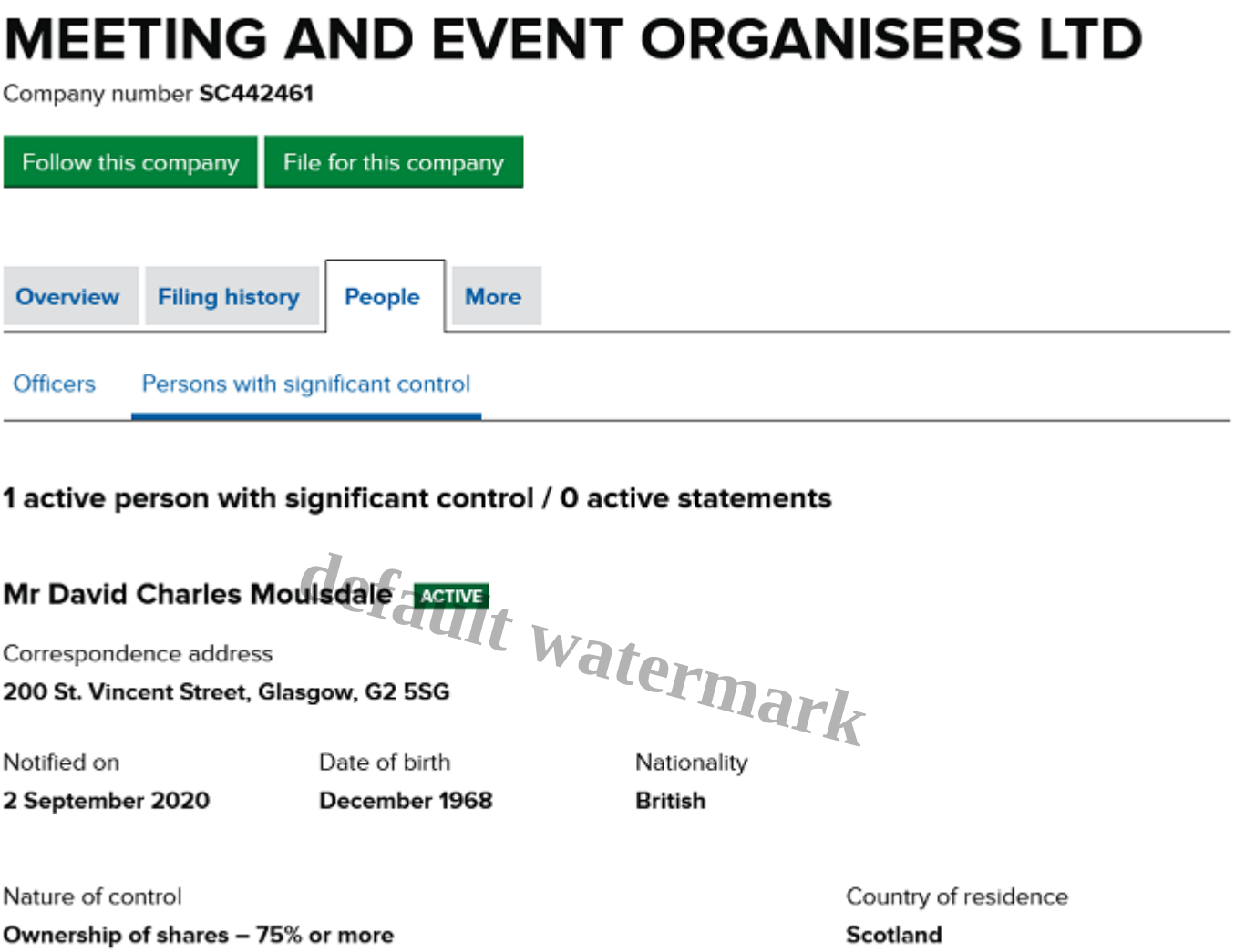
If the lease has not been re-assigned, however, and the LLTNPA are owed rent money, the only assets over which they could have a claim is the Â£100 share capital. Enough to make you wonder whether it was the lease for the former Gateway Centre which was discussed by the LLTNPA Risk and Audit Committee last Monday under â??confidential businessâ?•?

There is now a growing list of leases which have either failed or been handed back to the LLTNPA, but they have never reported publicly on why this has happened or the total losses.

For reasons I have been unable to establish, on 5th June 2020 Kim Wilson was replaced as Director of the Shore by Hugh Masson Kerr. On the same day, Mr Masson also replaced Kim Wilson as a Director of 200 SVS Ltd and, another subsidiary, Bearsden North Church Ltd reinforcing that all three companies are closely connected.

David Moulsdale and 200 SVS Ltd/Meeting and Events Organisers Ltd

Three weeks ago, on 19th February â?? about the time the Shore was abandoned? â?? 200 SVS Ltd changed its name to Meeting and Events Organisers Ltd. The Companies House website shows it now has just one Director, Mr Kerr, but is controlled by David Moulsdale:



MEETING AND EVENT ORGANISERS LTD

Company number **SC442461**

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Officers | Persons with significant control

1 active person with significant control / 0 active statements

Mr David Charles Moulsdale ACTIVE

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Correspondence address
200 St. Vincent Street, Glasgow, G2 5SG

Notified on	Date of birth	Nationality
2 September 2020	**December 1968**	**British**

Nature of control	Country of residence
Ownership of shares – 75% or more	**Scotland**

This confirms, therefore, that Mr Moulsdale is still the owner of The Shore business and had ultimate responsibility for all the trouble the couple in the Daily Record story had with getting their deposit back. In this, companies controlled by Moulsdale appear to have form. According to a post on the â??Optical Express Ruined My Lifeâ?• Facebook Page, there are dozens of people who have allegedly had difficulty getting their deposits back from Mr Moulsdaleâ??s company after cancelling eye surgery (see here).

The last accounts for SVS, up until December 2019 (see here), reveal that its then Director, Kim Wilson, was paid Â£94,400, up on the previous year but also that company went into the red, with net liabilities of Â£65,278 compared to assets of Â£111,542 the year before. That might make it harder for the LLTNPA to get any rent owed back, even if it can establish that SVS was really responsible for the lease.

While SVSâ??s accounts do refer to operating lease commitments, similar commitments go back several years and precede the lease for the Gateway Centre:

11 Operating lease commitments

Lessee

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

	2019 £	2
Within one year	184,000	184,

It appears, therefore, that the lease commitment in SVSâ??s accounts is for part of the building at 200 St Vincent St, quite possibly from another of Mr Moulsdaleâ??s companies, and that the LLTNPA never re-assigned the lease with The Shore to SVS Ltd.

SVSâ??s accounts show a significant sums of money are involved in â??related party transactionsâ?• but not exactly where this money is going (a major deficiency in company law):

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12 Related party transactions

Transactions with related parties
During the year the company entered into the following transactions with related parties:

	Interest Paid 2019 £	
Entities under common control	12,000	12

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2019 £	
Entities under common control	745,970	497

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The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2019 £	
Entities under common control	156,652	70
Entities over which the entity has control, joint control or significant influence	346,745	38

For a number of years up until 2018 SVSâ?? accounts reported that Verona Investments BV, registered in the Netherlands, was the parent company. But they are not mentioned in the 2019 accounts and itâ??s not clear if they are still involved. It is not clear either who the â??Entities over which the entity has control, joint control or significant influenceâ?• could be. The only entities owned by SVS I have been able to track down are The Shore and North Bearsden Church but there is nothing on their balance sheets to show they owe any money to anyone. This raises the question of which entities over which SVS has control, therefore, owe it 346,745? The 745,970 SVS is due to pay to â??related partiesâ?• is similarly not explained.

Itâ??s all smoke and mirrors, just the sort of company set up that our Public Authorities should be avoiding like the plague. It raises questions about what due diligence the LLTNPA took before leasing out the Gateway Centre to The Shore?

The wider picture

The apparent abandonment of The Shore illustrates the chaotic nature of the planning system when it comes to he businesses operating in the National Park. In determining the Ross Priory Planning Application, which included proposals to use the new Hunter Foundation building for weddings at weekends, the LLTNPA paid no account to the demand for weddings. The apparent collapse of The Shore and also of Boturich Castle, another weddings business in Balloch last year, raises serious questions about this. One suspects, however, that Sir Tom Hunter will be relieved that his erstwhile friend David Moulsdale, whose business he helped bail out in 2013, is no longer a competitor. The real planning failure here, however, is the LLTNPAâ??s approval of a major new development on an unspoiled section of the shore of Loch Lomond when a few miles away there are existing venues which are crying out to be used.

Whatever has happened at The Shore does not augur well for the massive development that Mr Moulsdale is proposing for Tarbet (see here). It makes it even more important that the LLTNPA Board makes its position clear about Mr Moulsdaleâ??s proposal to include land owned by the National Park in his outline plans. So far, they have remained completely silent, just as they have about the potential inclusion of their land in the Flamingo Land development.

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Meantime, up at Tarbet Mr Moulsdale is locked in a battle over the driveway to Ben Cruach Lodge (see here). This he expanded without planning permission, almost certainly to create access for his new proposed development as there is sufficient access to Ben Cruach Lodge at present via the Old Military Rd. The LLTNPA eventually refused Mr Moulsdaleâ??s application for retrospective planning permission in October after an objection from Transport Scotland and a number of excellent representations from local people. In January, Craig Mitchell, who works for Moulsdale Properties, appealed (see here). The message is that Mr Moulsdale is willing to use every legal avenue open to him to try and get retrospective permission for the unlawful development. Thankfully, Transport Scotland are at present standing their ground. It would be a positive precedent if the LLTNPA planners do so.

Category

1. Loch Lomond and Trossachs

Tags

1. LLTNPA
2. planning

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Author
nickkempe