

**Dundonald (Cumbernauld) Limited**

**Financial statements**

**30 June 2015**

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# **Dundonald (Cumbernauld) Limited**

## **Financial statements**

**Year ended 30 June 2015**

<b>Contents</b>	<b>Page</b>
Directors and advisors	<b>1</b>
Directors' report	<b>2</b>
Independent auditors' report to the members of Dundonald (Cumbernauld) Limited	<b>4</b>
Profit and loss account	<b>6</b>
Note of historical cost profits and losses	<b>7</b>
Balance sheet	<b>8</b>
Notes to the financial statements	<b>9</b>

# **Dundonald (Cumbernauld) Limited**

## **Directors and advisors**

### **The board of directors**

E M Ziff  
R A Lewis  
D S Syers

### **Company secretary**

D S Syers

### **Registered office**

Town Centre House  
The Merrion Centre  
Leeds  
West Yorkshire  
LS2 8LY

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants  
& Statutory Auditors  
Benson House  
33 Wellington Street  
Leeds  
LS1 4JP

### **Bankers**

Lloyds Banking Group plc

# **Dundonald (Cumbernauld) Limited**

## **Directors' report**

### **Year ended 30 June 2015**

The directors present their annual report and the audited financial statements of the Company for the year ended 30 June 2015.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006. The company has also taken the small companies exemption in relation to preparing a strategic report.

### **Principal activities and business review**

The principal activity of the Company during the year was property investment.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

### **Future outlook**

The company sold all of its property in the previous year and does not continue to have any significant operations. The company is not expected to trade in the foreseeable future.

The Directors have received confirmation from the parent company and the other group undertakings that they do not intend to seek repayment of amounts owed within one year of the date of approval of these financial statements, and that they will continue to support the business for the foreseeable future.

### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Company are considered to relate to the risk of recession in the UK economy and the impact this may have on the long-term viability of key tenants and the subsequent impact on the valuation of our investment property portfolio.

### **Key performance indicators ("KPI's")**

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### **Results and dividends**

The loss for the financial year amounted to £3 (2014: profit of £59,786). The directors are unable to recommend a dividend (2014: £nil).

### **Financial risk management**

The directors work to minimise risks in the course of the business. The company is a wholly owned subsidiary of Town Centre Securities PLC therefore financial risk management is considered on a group level.

### **Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

E M Ziff  
R A Lewis  
D S Syers

The directors did not hold any shares in the company.

# Dundonald (Cumbernauld) Limited

## Directors' report *(continued)*

Year ended 30 June 2015

### Directors' responsibilities statement

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 prepared 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; 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.

### Statement of disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Signed by order of the directors



D S Syers  
Company Secretary

Approved by the directors on 23 March 2016

# **Dundonald (Cumbernauld) Limited**

**Independent auditors' report to the members of Dundonald (Cumbernauld) Limited**

**Year ended 30 June 2015**

## **Report on the financial statements**

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### **Our opinion**

In our opinion, Dundonald (Cumbernauld) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2015 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.
- 

### **What we have audited**

The financial statements, included within the Financial statements (the "Annual Report"), comprise:

- the balance sheet as at 30 June 2015;
- the profit and loss account for the year then ended;
- the note of historical cost profits and losses for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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## **Opinion on other matter prescribed by the Companies Act 2006**

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In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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## **Other matters on which we are required to report by exception**

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### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

# Dundonald (Cumbernauld) Limited

Independent auditors' report to the members of Dundonald (Cumbernauld) Limited (continued)

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## Responsibilities for the financial statements and the audit

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### Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Arif Ahmad (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds  
23 March 2016

# Dundonald (Cumbernauld) Limited

## Profit and loss account

Year ended 30 June 2015

	Note	2015 £	2014 £
<b>Turnover</b>		-	89,518
Administrative expenses		(3)	-
Other operating income	2	-	1,034
<b>Operating (loss)/profit</b>	3	(3)	90,552
Result/(loss) on sale of fixed assets		-	(30,766)
<b>(Loss)/profit on ordinary activities before taxation</b>		(3)	59,786
Tax on (loss)/profit on ordinary activities	4	-	-
<b>(Loss)/profit for the financial year</b>	8	(3)	59,786

All of the activities of the Company are classed as continuing.

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of recognised gains and losses has been presented.

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



## Dundonald (Cumbernauld) Limited

### Note of historical cost profits and losses

	2015 £	2014 £
Reported (loss)/profit on ordinary activities before taxation	(3)	59,786
Realisation of losses recognised in previous years	-	(879,636)
Historical cost loss on ordinary activities before taxation	<u>(3)</u>	<u>(819,850)</u>
Historical cost loss for the year after taxation	<u>(3)</u>	<u>(819,850)</u>

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

# Dundonald (Cumbernauld) Limited

## Balance sheet

30 June 2015

	Note	2015 £	2014 £
<b>Current assets</b>			
Debtors	5	1,233,567	955,826
<b>Creditors: Amounts falling due within one year</b>	6	(284,782)	(7,038)
<b>Net current assets</b>		<u>948,785</u>	<u>948,788</u>
<b>Total assets less current liabilities</b>		<u>948,785</u>	<u>948,788</u>
<b>Capital and reserves</b>			
Called up equity share capital	7	1,400,001	1,400,001
Profit and loss account	8	(451,216)	(451,213)
<b>Total shareholders' funds/(deficit)</b>	19	<u>948,785</u>	<u>948,788</u>

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

The financial statements on pages 6 to 12 were approved by the board of directors on 23 March 2016 and signed on its behalf by:



D S Syers  
Director

Company Registration Number: 5983938

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

# **Dundonald (Cumbernauld) Limited**

## **Notes to the financial statements**

**Year ended 30 June 2015**

### **1. Accounting policies**

#### **Basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain fixed assets and in accordance with the Companies Act 2006, with the exception of depreciation of freehold property, and applicable accounting standards in the United Kingdom.

The Directors have received confirmation from the parent company and the other group undertakings that they do not intend to seek repayment of amounts owed within one year of the date of approval of these financial statements, and that they will continue to support the business for the foreseeable future.

The principal accounting policies, which have been applied consistently, are as follows:

#### **Cash flow statement**

The company is a wholly owned subsidiary of Town Centre Securities PLC and the results and cash flows of the company are included in the consolidated financial statements of that company. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996).

#### **Rental income**

Turnover, which excludes value added tax, represents the invoiced value of rent and services supplied to customers. Rental income is accounted for as it falls due in accordance with the lease to which it relates.

#### **Depreciation and amortisation**

In accordance with SSAP 19 "Accounting for Investment Properties", no depreciation or amortisation is provided in respect of freehold and long leasehold investment properties, including fixed plant, which is included in properties. The requirement of the Companies Act 2006 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The Directors consider that this accounting policy is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the factors reflected in the financial statements valuation and the amount attributable to this factor cannot be separately identified or quantified. If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation.

#### **Profit available for distribution**

Surpluses arising on revaluations of properties are not regarded as being available for dividend and are, therefore, transferred to non distributable reserves.

#### **Related party transactions**

The company has exercised the exemption under FRS8 for transactions between the Company and other undertakings in the Town Centre Securities PLC group not to be disclosed.

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements (continued)

Year ended 30 June 2015

### 2. Other operating income

	2015	2014
	£	£
Other operating income	-	1,034

### 3. Operating (loss)/profit

None of the directors received any emoluments in respect of their services to the company during the year (2014: £nil). The company had no other employees in the year to 30 June 2015 (2014: none).

Auditors' remuneration was borne by the ultimate parent undertaking.

### 4. Tax on (loss)/profit on ordinary activities

#### Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher (2014: lower) than the standard rate of corporation tax in the UK of 20.75% (2014: 22.5%).

	2015	2014
	£	£
(Loss)/profit on ordinary activities before taxation	(3)	59,786
(Loss)/profit on ordinary activities by rate of tax	(1)	13,452
Adjustment in respect of profits post REIT conversion	1	(13,452)
Total current tax	-	-

No analysis of tax charge is presented, as no tax is payable or receivable.

A change in the main UK Corporation tax rate from 21% to 20% was substantively enacted on 2 July 2013 and became effective from 1 April 2015.

Changes to the UK corporation tax rates were announced in the Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As the changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements (continued)

Year ended 30 June 2015

### 5. Debtors

	2015	2014
	£	£
Amounts owed by group undertakings	1,232,769	953,741
Other debtors	798	2,085
	<u>1,233,567</u>	<u>955,826</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 6. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	3,715	4,243
Amounts owed to group undertakings	278,542	-
Other creditors	2,525	2,795
	<u>284,782</u>	<u>7,038</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand. The directors have received confirmation from the ultimate parent undertaking that they do not intend to seek repayment within one year.

### 7. Called up share capital

#### Authorised share capital:

	2015	2014
	£	£
1,000 Ordinary shares of £1 each (2014: 1,000)	1,000	1,000
1,400,000 Deferred shares of £1 each (2014: 1,400,000)	1,400,000	1,400,000
	<u>1,401,000</u>	<u>1,401,000</u>

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

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	1	1	1	1
Deferred shares of £1 each	1,400,000	1,400,000	1,400,000	1,400,000
	<u>1,400,001</u>	<u>1,400,001</u>	<u>1,400,001</u>	<u>1,400,001</u>

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements (continued)

Year ended 30 June 2015

### 8. Reserves

	Profit and loss account £
Balance brought forward	(451,213)
Loss for the financial year	(3)
Balance carried forward	<u>(451,216)</u>

### 9. Reconciliation of movements in shareholders' funds

	2015 £	2014 £
(Loss)/profit for the financial year	<u>(3)</u>	<u>59,786</u>
Net (reduction)/addition to shareholders' funds	(3)	59,786
Opening shareholders' funds	<u>948,788</u>	<u>889,002</u>
Closing shareholders' funds	<u>948,785</u>	<u>948,788</u>

### 10. Capital and other commitments

The Company had no capital or other commitments not provided for at 30 June 2015 (2014: £nil).

### 11. Parent undertaking and controlling party

The Company's ultimate parent undertaking and controlling party is Town Centre Securities PLC, a company incorporated in England. This is the smallest and largest group which prepares group financial statements. Copies of the group financial statements can be obtained by writing to:

The Secretary  
Town Centre Securities PLC  
Town Centre House  
The Merrion Centre  
Leeds  
LS2 8LY