

Dundonald (Cumbernauld) Limited

Financial statements

30 June 2014

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Dundonald (Cumbernauld) Limited

Financial statements

Year ended 30 June 2014

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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 2014

The directors present their report and the financial statements of the Company for the year ended 30 June 2014.

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 performance of the company is in line with the previous year and also with directors' expectations. Conditions in the investment property market have stabilised and the directors are confident that the company will maintain its performance in the 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 profit for the financial year amounted to £59,786 (2013: £130,118). The directors have not recommended a dividend (2013: £nil).

Financial risk management

The directors work to minimise risks in the course of the business.

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

C J Kelly

(Appointed 12 April 2014)

(Resigned 11 April 2014)

The directors did not hold any shares in the company.

Dundonald (Cumbernauld) Limited

Directors' report *(continued)*

Year ended 30 June 2014

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;
- 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.

Independent auditors

PricewaterhouseCoopers LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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 18 June 2015

Dundonald (Cumbernauld) Limited

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

Year ended 30 June 2014

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Dundonald (Cumbernauld) Limited, comprise:

- the balance sheet as at 30 June 2014;
- the profit and loss account and statement of total recognised gains and losses 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 their preparation 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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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.

In addition, we read all the financial and non-financial information in the financial statements 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.

Opinion on other matter prescribed by the Companies Act 2006

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.

Dundonald (Cumbernauld) Limited

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

Other matters on which we are required to report by exception

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.

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.

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.

Responsibilities for the financial statements and the audit

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 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.



Steve Denison (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
18 June 2015

Dundonald (Cumbernauld) Limited

Profit and loss account

Year ended 30 June 2014

	Note	2014 £	2013 £
Turnover		89,518	136,125
Administrative expenses		-	(120)
Other operating income	2	<u>1,034</u>	<u>(311)</u>
Operating profit	3	90,552	135,694
Loss on sale of fixed assets		(30,766)	-
Interest receivable		-	25,103
Interest payable and similar charges		-	(30,679)
Profit on ordinary activities before taxation		59,786	130,118
Tax on profit on ordinary activities	4	-	-
Profit for the financial year		<u>59,786</u>	<u>130,118</u>

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

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

Dundonald (Cumbernauld) Limited

Statement of total recognised gains and losses

Year ended 30 June 2014

	2014 £	2013 £
Profit for the financial year	59,786	130,118
Unrealised loss on revaluation of certain fixed assets	-	(615,000)
Total gains and losses recognised since the last annual report	<u>59,786</u>	<u>(484,882)</u>

Note of historical cost profits and losses

	2014 £	2013 £
Reported profit on ordinary activities before taxation	59,786	130,118
Realisation of losses recognised in previous years	<u>(879,636)</u>	<u>-</u>
Historical cost profit on ordinary activities before taxation	<u>(819,850)</u>	<u>130,118</u>
Historical cost profit for the year after taxation	<u>(819,850)</u>	<u>130,118</u>

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

Dundonald (Cumbernauld) Limited

Balance sheet

30 June 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	5	-	1,285,000
Current assets			
Debtors	6	955,826	350
Creditors: Amounts falling due within one year	7	(7,038)	(396,348)
Net current assets/liabilities		<u>948,788</u>	<u>(395,998)</u>
Total assets less current liabilities		<u>948,788</u>	<u>889,002</u>
Capital and reserves			
Called up equity share capital	8	1,400,001	1,400,001
Revaluation reserve	9	-	(879,636)
Profit and loss account	9	(451,213)	368,637
Total shareholders' funds/(deficit)	10	<u>948,788</u>	<u>889,002</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 18 June 2015 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 2014

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 and applicable accounting standards in the United Kingdom.

The Directors have received confirmation from the joint venture parties, 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.

Investment properties

Investment properties are included in the financial statements at open market values based on a valuation as at 30 June each year. Short leasehold properties are held at cost and are amortised over the life of the lease.

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 1985 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.

Dundonald (Cumbernauld) Limited

Notes to the financial statements

Year ended 30 June 2014

2. Other operating income

	2014	2013
	£	£
Other operating income	<u>1,034</u>	<u>(311)</u>

3. Operating profit

None of the directors received any emoluments in respect of their services to the company during the year (2013: £nil). The company had no other employees in the year to 30 June 2014 (2013: none).

4. Tax on profit on ordinary activities

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 22.5% (2013 – 23.75%).

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>59,786</u>	<u>130,118</u>
Profit on ordinary activities by rate of tax	<u>13,452</u>	<u>30,903</u>
Adjustment in respect of profits post REIT conversion	<u>(13,452)</u>	<u>(30,903)</u>
Total current tax	<u>-</u>	<u>-</u>

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

5. Tangible fixed assets

	Freehold Property £
Cost or valuation	
At 1 July 2013	1,285,000
Disposals	<u>(1,285,000)</u>
At 30 June 2014	<u>-</u>
Net book value	
At 30 June 2014	<u>-</u>
At 1 July 2013	<u>1,285,000</u>

Dundonald (Cumbernauld) Limited

Notes to the financial statements

Year ended 30 June 2014

6. Debtors

	2014 £	2013 £
Amounts owed by group undertakings	953,741	-
Other debtors	2,085	350
	<u>955,826</u>	<u>350</u>

7. Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	4,243	7,071
Amounts owed to group undertakings	-	357,576
VAT	-	6,302
Other creditors	2,795	3,945
Accruals and deferred income	-	21,454
	<u>7,038</u>	<u>396,348</u>

8. Called up share capital

Authorised share capital:

	2014 £	2013 £
1,000 Ordinary shares of £1 each	1,000	1,000
1,400,000 Deferred shares of £1 each	1,400,000	1,400,000
	<u>1,401,000</u>	<u>1,401,000</u>

Allotted, called up and fully paid:

	2014		2013	
	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

Year ended 30 June 2014

9. Reserves

	Revaluation reserve £	Profit and loss account £
Balance brought forward	(879,636)	368,637
Profit for the financial year	-	59,786
Realised on disposal of previously revalued investment properties	879,636	(879,636)
Balance carried forward	<u>-</u>	<u>(451,213)</u>

10. Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	59,786	130,118
New ordinary share capital subscribed	-	1,400,000
Deficit on revaluation of investment properties	-	(615,000)
Net addition to shareholders' funds	<u>59,786</u>	<u>915,118</u>
Opening shareholders' funds/(deficit)	<u>889,002</u>	<u>(26,116)</u>
Closing shareholders' funds	<u>948,788</u>	<u>889,002</u>

11. Capital and other commitments

The Company had no capital or other commitments not provided for at 30 June 2014 (2013: £nil).

12. 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. 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. 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