

Rowanbrae Limited

Unaudited Financial Statements

Year Ended

31 March 2018

Company Number SC137890



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Rowanbrae Limited

Company Information

Director	A D Williams
Company secretary	M J Williams
Registered number	SC137890
Registered office	Manor Park Skelmorlie Ayrshire PA17 5HE
Bankers	The Royal Bank of Scotland plc 33-37 Main Street Largs Ayrshire KA30 8AF

Rowanbrae Limited

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Rowanbrae Limited

Chartered Accountants' Report to the Director on the preparation of the Unaudited Statutory Financial Statements of Rowanbrae Limited for the Year Ended 31 March 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Rowanbrae Limited for the year ended 31 March 2018 which comprise the Balance Sheet, the Statement of Changes in Equity and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the director of Rowanbrae Limited in accordance with the terms of our engagement letter dated 13 December 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Rowanbrae Limited and state those matters that we have agreed to state to the director of Rowanbrae Limited in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Rowanbrae Limited and its director for our work or for this report.

It is your duty to ensure that Rowanbrae Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Rowanbrae Limited. You consider that Rowanbrae Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Rowanbrae Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



BDO LLP

4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

20 December 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Rowanbrae Limited
Registered number: SC137890

Balance Sheet
As at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	1,338,985	1,340,327
Investments	5	1,750	1,750
		<u>1,340,735</u>	<u>1,342,077</u>
Current assets			
Debtors: amounts falling due within one year	6	178,295	180,509
Cash at bank and in hand	7	55,517	53,721
		<u>233,812</u>	<u>234,230</u>
Creditors: amounts falling due within one year	8	(4,176)	(3,096)
Net current assets		<u>229,636</u>	<u>231,134</u>
Total assets less current liabilities		<u>1,570,371</u>	<u>1,573,211</u>
Creditors: amounts falling due after more than one year	9	(657,000)	(657,000)
Provisions for liabilities			
Deferred tax	10	(1,512)	(1,990)
		<u>(1,512)</u>	<u>(1,990)</u>
Net assets		<u><u>911,859</u></u>	<u><u>914,221</u></u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	12	911,759	914,121
		<u><u>911,859</u></u>	<u><u>914,221</u></u>

The director considers 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 Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

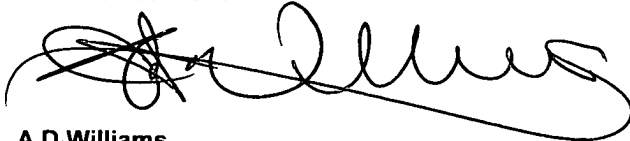
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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.

Rowanbrae Limited
Registered number: SC137890

Balance Sheet (continued)
As at 31 March 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 December 2018.

A handwritten signature in black ink, appearing to read 'A D Williams', with a long horizontal flourish extending to the right.

A D Williams
Director

The notes on pages 6 to 12 form part of these financial statements.

Rowanbrae Limited

Statement of Changes in Equity For the Year Ended 31 March 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2017	100	914,121	914,221
Comprehensive income for the year			
Loss for the year	-	(2,362)	(2,362)
At 31 March 2018	100	911,759	911,859

The notes on pages 6 to 12 form part of these financial statements.

Rowanbrae Limited

Statement of Changes in Equity For the Year Ended 31 March 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2016	100	920,361	920,461
Comprehensive income for the year			
Loss for the year	-	(6,240)	(6,240)
At 31 March 2017	100	914,121	914,221

The notes on pages 6 to 12 form part of these financial statements.

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

1. General information

Rowanbrae Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's principal activities is set out in the directors' report. The financial statements have been prepared on a going concern basis in accordance with FRS 102 - Small Entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

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 Section 1A of 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 (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue from property letting is recognised in the period in which the let is provided in accordance with the stage of completion of the property let when all of the following conditions are satisfied:

2.3 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

2.4 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	15% reducing balance
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

2.7 Investment property

Investment property is carried at fair value determined annually by the director and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 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.

2.10 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.

2.11 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.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.13 Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

4. Tangible fixed assets

	Investment property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2017	1,331,383	40,620	1,372,003
At 31 March 2018	1,331,383	40,620	1,372,003
Depreciation			
At 1 April 2017	-	31,676	31,676
Charge for the year on owned assets	-	1,342	1,342
At 31 March 2018	-	33,018	33,018
Net book value			
At 31 March 2018	1,331,383	7,602	1,338,985
At 31 March 2017	1,331,383	8,944	1,340,327

The historical cost of the investment properties is £823,797 (2017 - £823,797).

The last formal valuation of the company's investment properties was carried out by e.surv, Chartered Surveyors on 31 March 2004.

The director has reviewed the carrying value of the company's investment properties and considers that the amount of £1,331,383 fairly reflects the market value of the properties as at 31 March 2018.

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2017	5,250
At 31 March 2018	5,250
Impairment	
At 1 April 2017	3,500
At 31 March 2018	3,500
Net book value	
At 31 March 2018	1,750
At 31 March 2017	1,750

Investments are unlisted shares which are measured at fair value.

6. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	178,295	180,509
	178,295	180,509

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	55,517	53,721
	55,517	53,721

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	1,600	1,600
Accruals and deferred income	2,576	1,496
	<u>4,176</u>	<u>3,096</u>

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

	2018 £	2017 £
Bank loans	657,000	657,000
	<u>657,000</u>	<u>657,000</u>

Secured loans

As at 31 March 2018 there are bank borrowings outstanding amounting to £657,000 (2017 - £657,000). This loan is due for repayment in January 2020 and is an interest only loan. Bank borrowings are secured by a bond and floating charge over the company's assets and by a legal charge over the company's investment property.

10. Deferred taxation

	2018 £
At beginning of year	(1,990)
Charged to profit or loss	478
At end of year	<u>(1,512)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(1,512)	(1,990)
	<u>(1,512)</u>	<u>(1,990)</u>

Rowanbrae Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

12. Reserves

Profit and loss account

The profit and loss account contains historical trading results less any dividends paid.

Within the profit and loss account there are undistributable reserves of £507,586 (2017 - £507,586) in relation to the revaluation of investment properties.

13. Related party transactions

	2018 £	2017 £
Duncroft Limited	178,000	178,000
Manor Park Financial Services Limited	295	2,509
	178,295	180,509

14. Controlling party & ultimate parent company

The company was controlled throughout the year by the director and ultimate controlling party, A.D. Williams.

The company is a subsidiary of Duncroft Limited which is the ultimate controlling party.