

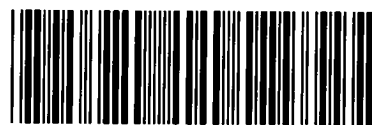
Registration number: SC207729

Cairnmore Limited

Filleted Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2018

Mitchell Oswald Chartered Accountants
28 James Young Road
Bathgate
West Lothian
EH48 2UP

TUESDAY



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Cairnmore Limited

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Cairnmore Limited

Company Information

Director	G Brewster
Company secretary	26GS (Secretaries) Limited
Registered office	26 George Square Edinburgh EH8 9LD
Accountants	Mitchell Oswald Chartered Accountants 28 James Young Road Bathgate West Lothian EH48 2UP

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Cairnmore Limited
for the Year Ended 30 June 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Cairnmore Limited for the year ended 30 June 2018 as set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member/member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at www.icas.com.

This report is made solely to the Board of Directors of Cairnmore Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Cairnmore Limited and state those matters that we have agreed to state to the Board of Directors of Cairnmore Limited, as a body, in this report in accordance with the requirements of The Institute of Chartered Accountants of Scotland as detailed at www.icas.com. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cairnmore Limited and its Board of Directors as a body for our work or for this report.

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

We have not been instructed to carry out an audit or a review of the accounts of Cairnmore 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 accounts.

Mitchell Oswald Chartered Accountants.

Mitchell Oswald Chartered Accountants
28 James Young Road
Bathgate
West Lothian
EH48 2UP

24 October 2018

Cairnmore Limited

(Registration number: SC207729)
Balance Sheet as at 30 June 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	3	3,122,738	2,969,184
Investments	4	<u>1</u>	<u>1</u>
		<u>3,122,739</u>	<u>2,969,185</u>
Current assets			
Debtors	5	80,133	74,792
Cash at bank and in hand		<u>237,704</u>	<u>136,493</u>
		317,837	211,285
Creditors: Amounts falling due within one year	6	<u>(587,220)</u>	<u>(1,151,236)</u>
Net current liabilities		<u>(269,383)</u>	<u>(939,951)</u>
Total assets less current liabilities		2,853,356	2,029,234
Creditors: Amounts falling due after more than one year	6	(1,069,731)	(301,488)
Provisions for liabilities		<u>(101,451)</u>	<u>(98,470)</u>
Net assets		<u>1,682,174</u>	<u>1,629,276</u>
Capital and reserves			
Called up share capital		1,000	1,000
Other reserves		842,711	845,692
Profit and loss account		<u>838,463</u>	<u>782,584</u>
Total equity		<u>1,682,174</u>	<u>1,629,276</u>

The notes on pages 5 to 11 form an integral part of these financial statements.

Cairnmore Limited

**(Registration number: SC207729)
Balance Sheet as at 30 June 2018**

For the financial year ending 30 June 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

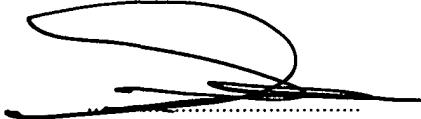
Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 24 October 2018

A handwritten signature in black ink, appearing to be 'G Brewster', written over a horizontal dotted line.

G Brewster
Director

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

26 George Square

Edinburgh

EH8 9LD

These financial statements were authorised for issue by the director on 24 October 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that, as disclosed in the accounting policies, certain items are shown at fair value.

Revenue recognition

Revenue is measured at the fair value of the the consideration received or receivable and represents amounts receivable for sales to third parties in the normal course of business, net of discounts, VAT and other related taxes.

Revenue from rental of properties is recognised when services have been provided and the right to consideration has been earned.

Revenue from sale of development properties is recognised when the company has concluded the transfer of the property.

Tax

Tax is recognised in the profit or loss of the company, except where a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

Deferred tax is accounted for in respect of all material timing differences. Deferred tax is charged/(credited) to the profit and loss account except for deferred tax on revaluation which is charged directly to reserves.

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

Tangible assets

Tangible assets other than investment properties, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% on reducing balance

Investment property

Investment properties are properties held to earn rentals and for capital appreciation. Investment properties are initially measured at cost, including transaction costs.

Subsequently, investment properties are measured at fair value. Investment property valuations are based on a fair value. Deferred tax is provided on these movements. Gains and losses arising from changes in the fair value of investment properties are included in the profit and loss account in the period in which they arise.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

Borrowings

Interest-bearing borrowings are recorded at fair value.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are set up only where it is possible that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably. Where material, provisions are calculated on a discounted basis.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Financial instruments

Classification

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, bank loans and director's loans to the company.

Recognition and measurement

Trade debtors and trade creditors are measured at the undiscounted amounts receivable from a customer or payable to a supplier, which is normally the invoice price.

Loans received from a bank at a market rate of interest are recognised at the amount of cash received from the bank, less separately incurred transaction costs.

Director's loans to the company which are repayable on demand are measured at the undiscounted amount of the cash expected to be paid.

Investments in equity shares which are not publicly traded and where the fair value of the shares cannot be measured reliably are initially measured at cost, including transaction costs. The investment is not remeasured except where impairment has been identified.

Impairment

Trade debtors and investments in equity shares are assessed at the end of each reporting period for objective evidence of impairment. If such evidence is found, an impairment loss is recognised in profit or loss.

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

3 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 July 2017	2,965,000	28,080	2,993,080
Additions	<u>154,600</u>	<u>-</u>	<u>154,600</u>
At 30 June 2018	<u>3,119,600</u>	<u>28,080</u>	<u>3,147,680</u>
Depreciation			
At 1 July 2017	-	23,896	23,896
Charge for the year	<u>-</u>	<u>1,046</u>	<u>1,046</u>
At 30 June 2018	<u>-</u>	<u>24,942</u>	<u>24,942</u>
Carrying amount			
At 30 June 2018	<u>3,119,600</u>	<u>3,138</u>	<u>3,122,738</u>
At 30 June 2017	<u>2,965,000</u>	<u>4,184</u>	<u>2,969,184</u>

Included within the net book value of land and buildings above is £3,119,600 (2017 - £2,965,000) in respect of freehold land and buildings.

4 Investments

	2018 £	2017 £
Investments in subsidiaries	<u>1</u>	<u>1</u>
Subsidiaries		£
Cost or valuation		
At 1 July 2017		<u>1</u>
Carrying amount		
At 30 June 2018		<u>1</u>
At 30 June 2017		<u>1</u>

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
Cairnmore One Limited	26 George Street Edinburgh EH8 9LD Scotland	Ordinary	100%	100%

The principal activity of Cairnmore One Limited is that of property investment.

5 Debtors

	Note	2018 £	2017 £
Trade debtors		5,195	4,854
Amounts owed by group undertakings	9	19,938	19,938
Other debtors		<u>55,000</u>	<u>50,000</u>
Total current trade and other debtors		<u>80,133</u>	<u>74,792</u>

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

6 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Loans and overdrafts	7	547,729	1,096,345
Trade creditors		-	700
Other creditors		39,491	54,191
		<u>587,220</u>	<u>1,151,236</u>

Due after one year

Loans and borrowings	7	<u>1,069,731</u>	<u>301,488</u>
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Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	7	<u>1,069,731</u>	<u>301,488</u>

7 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	<u>1,069,731</u>	<u>301,488</u>

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	20,348	67,142
Loan from director	<u>527,381</u>	<u>1,029,203</u>
	<u>547,729</u>	<u>1,096,345</u>

Bank borrowings

Bank loans are denominated in Sterling with a nominal interest rate of 2.8% over base rate, and the final instalment is due on 30 November 2022. The carrying amount at year end is £1,090,079 (2017 - £368,629).

The bank loans are secured by standard securities over the company's investment properties and by a bond and floating charge over the assets of the company.

Cairnmore Limited

Notes to the Financial Statements for the Year Ended 30 June 2018

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of guarantees not included in the balance sheet is £1,683,000 (2017 - £1,683,000). Cairnmore Limited has provided a guarantee for £1,683,000 in respect of the bank loans drawn by its subsidiary, Cairnmore One Limited.

9 Related party transactions

Transactions with directors

	At 1 July 2017 £	Advances to directors £	Repayments by director £	At 30 June 2018 £
2018				
G Brewster				
Interest free loan from director	<u>1,029,202</u>	<u>(508,821)</u>	<u>7,000</u>	<u>527,381</u>
	At 1 July 2016 £	Advances to directors £	Repayments by director £	At 30 June 2017 £
2017				
G Brewster				
Interest free loan from director	<u>1,024,462</u>	<u>(260)</u>	<u>5,000</u>	<u>1,029,202</u>

The loan from director is unsecured, interest free and repayable on demand.

Summary of transactions with subsidiaries

Cairnmore Limited has provided a guarantee in respect of the bank loan in its subsidiary, Cairnmore One Limited.

Loans to related parties

	Subsidiary £
2018	
At start of period	<u>19,938</u>
At end of period	<u>19,938</u>
2017	
At start of period	<u>19,938</u>