



GRANT CALEDONIA LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011

Company Registration Number SC218017

RSM Tenon Limited
Accountants and Business Advisers
160 Dundee Street
Edinburgh
EH11 1DQ

TUESDAY



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31/01/2012
COMPANIES HOUSE
#284

GRANT CALEDONIA LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

CONTENTS	PAGES
Independent auditor's report to the company	1 to 2
Abbreviated balance sheet	3
Notes to the abbreviated accounts	4 to 5

GRANT CALEDONIA LIMITED
INDEPENDENT AUDITOR'S REPORT TO GRANT CALEDONIA LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of Grant Caledonia Limited for the year ended 31 March 2011 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On 31/1/12 we reported as auditor to the members of the company on the financial statements prepared under Section 396 of the Companies Act 2006 and our report included the following paragraph:

GRANT CALEDONIA LIMITED

INDEPENDENT AUDITOR'S REPORT TO GRANT CALEDONIA LIMITED *(continued)*

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Emphasis of matter - basis of preparation

Without modifying our opinion we draw your attention to the disclosures made in note 1 to the financial statements regarding the basis of preparation and going concern. The directors of the company are currently in discussions with the company's bankers, Bank of Ireland, as to the quantum, structure and duration of the company's existing loan facility. These discussions have yet to reach a conclusion. This condition, along with the matters explained in note 1 to the financial statements, indicate that the company may not continue as a going concern.

We would also draw your attention to the deficit on shareholders' funds of £241,831 at the balance sheet date.

David Holt, Senior Statutory Auditor
For and on behalf of



RSM Tenon Audit Limited
Statutory Auditor
160 Dundee Street
Edinburgh
EH11 1DQ

Date:- 31/1/12.....

GRANT CALEDONIA LIMITED*Registered Number SC218017***ABBREVIATED BALANCE SHEET****31 MARCH 2011**

	Note	2011 £	£	2010 £	£
Current assets					
Stocks		740,000		740,000	
Debtors		517		453	
Cash at bank and in hand		-		2,814	
		<u>740,517</u>		<u>743,267</u>	
Creditors: Amounts falling due within one year		<u>(982,348)</u>		<u>(971,989)</u>	
Net current liabilities			<u>(241,831)</u>		<u>(228,722)</u>
Capital and reserves					
Called-up share capital	3		1		1
Profit and loss account			(241,832)		(228,723)
Shareholder's deficit			<u>(241,831)</u>		<u>(228,722)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These abbreviated accounts were approved by the directors and authorised for issue on 27 January 2012, and are signed on their behalf by:



P C Grant
Director

The notes on pages 4 to 5 form part of these abbreviated accounts.

GRANT CALEDONIA LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Going concern

During the year the company incurred a loss of £13,109 (2010: £96,560) and at the balance sheet date, it had net liabilities of £241,831 (2010: £228,722).

There are ongoing discussions between the directors and Bank of Ireland, the company's bankers, as to the quantum, structure and duration of the company's loan facility. At the date of signing the financial statements, these discussions have not reached any conclusion and as such the existing loan of £523,000 is considered to be repayable on demand. The directors continue to fund interest payments to Bank of Ireland. Whilst the directors remain optimistic that an acceptable outcome to the negotiations will result, until discussions with the company's bankers are concluded the directors cannot confirm that the company is a going concern. Accordingly, the financial statements have not been prepared on a going concern basis and therefore all assets have been written down to their recoverable value as appropriate and adjustments have been made to provide for any further known liabilities which are expected to arise.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Stocks and work in progress

Stocks, which comprises land and property, are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

GRANT CALEDONIA LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

2. Secured creditors

Included within creditors falling due within one year is a bank loan of £523,000 (2010: £523,000) and a bank overdraft of £129 (2010: £nil) which are secured by a first ranking standard security over the company's property, a first ranking debenture from the company and an interest shortfall guarantee from the directors. The bank loan incurs interest at 2% over LIBOR and is repayable on demand.

3. Share capital

Authorised share capital:

	2011 £	2010 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

4. Ultimate controlling party

In the directors' opinion, P C Grant and C M Grant are the company's ultimate controlling party by virtue of their joint shareholding in the company.