

Abernorth Limited
Annual Report and Financial Statements
for the Year Ended 31 March 2017

Abernorth Limited

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Abernorth Limited

Company Information

Directors	Mrs E Morrice Mr G Hay
Registered office	1 East Craibstone Street Aberdeen AB11 6YQ
Accountants	Norman Gray & Co Chartered Certified Accountants 72 Carden Place Aberdeen AB10 1UL

Abernorth Limited

(Registration number: SC339337)

Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Investment property	<u>3</u>	1,500,000	2,422,555
Current assets			
Debtors	<u>4</u>	11,795	35,189
Cash at bank and in hand		2,892	147
		14,687	35,336
Creditors: Amounts falling due within one year	<u>5</u>	(114,671)	(167,157)
Net current liabilities		(99,984)	(131,821)
Total assets less current liabilities		1,400,016	2,290,734
Creditors: Amounts falling due after more than one year	<u>5</u>	(1,149,342)	(1,261,510)
Net assets		250,674	1,029,224
Capital and reserves			
Called up share capital		1,000	1,000
Revaluation reserve		-	572,000
Profit and loss account		249,674	456,224
Total equity		250,674	1,029,224

For the financial year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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 Board on 5 March 2018 and signed on its behalf by:

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Mr G Hay

Director

The notes on pages 3 to 8 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

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

The address of its registered office is:

1 East Craibstone Street
Aberdeen
AB11 6YQ

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

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that 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.

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the directors. The directors use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Abernorth Limited

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, 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 merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

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.

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.

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Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

3 Investment properties

	2017
	£
At 1 April 2016	2,422,555
Disposals	(138,030)
Fair value adjustments	(784,525)
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At 31 March 2017	<u><u>1,500,000</u></u>

Investment property is included in the accounts at fair market value, as valued by the directors.

There has been no valuation of investment property by an independent valuer.

4 Debtors

	2017	2016
	£	£
Trade debtors	-	18,829
Other debtors	11,795	16,360
	<hr/>	<hr/>
	<u><u>11,795</u></u>	<u><u>35,189</u></u>

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Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

5 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	<u>7</u>	18,337	69,705
Directors current account	<u>8</u>	58,056	58,056
Taxation and social security		3,185	9,029
Other creditors		35,093	30,367
		<u>114,671</u>	<u>167,157</u>

Due after one year

Loans and borrowings	<u>7</u>	<u>1,149,342</u>	<u>1,261,510</u>
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Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	<u>7</u>	<u>1,149,342</u>	<u>1,261,510</u>

6 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary A shares of £1 each	1,000	1,000	1,000	1,000

Abernorth Limited

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

7 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	<u>1,149,342</u>	<u>1,261,510</u>
Current loans and borrowings		
Bank borrowings	<u>18,337</u>	<u>69,705</u>

Bank borrowings

The carrying amount of at year end is £1,167,679 (2016 - £1,331,215).

The bank borrowings are secured by a bond and floating charge and first standard security over the assets of the company. Personal guarantees have also been provided by the directors.

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Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

8 Related party transactions

The director, Mr G R Cox, is also a partner in the Aberdeen Northern Hotel. During the year the company received rents of £96,667 (2016 - £180,000) from the Aberdeen Northern Hotel. Bad debts of £6,201 (2016 - £70,000) were written off amounts receivable from the Aberdeen Northern Hotel.

Transactions with directors

	At 1 April 2016 £	At 31 March 2017 £
2017		
Mr G Hay		
Interest free advance repayable on demand	(18,725)	(18,725)
	<u>(18,725)</u>	<u>(18,725)</u>
Mr G R Cox		
Interest free advance repayable on demand	(39,331)	(39,331)
	<u>(39,331)</u>	<u>(39,331)</u>

	At 1 April 2015 £	Advances to directors £	Repayments by director £	At 31 March 2016 £
2016				
Mr G Hay				
Interest free advance repayable on demand	(19,625)	5,500	(4,600)	(18,725)
	<u>(19,625)</u>	<u>5,500</u>	<u>(4,600)</u>	<u>(18,725)</u>
Mr G R Cox				
Interest free advance repayable on demand	(39,331)	-	-	(39,331)
	<u>(39,331)</u>	<u>-</u>	<u>-</u>	<u>(39,331)</u>

9 Transition to FRS 102

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 Section 1A and the Companies Act 2006 a restatement of comparative items was needed. No restatements were required.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.