

Company Registration No. SC456990 (Scotland)

DONNELLY (SCOTLAND) LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018
PAGES FOR FILING WITH REGISTRAR

DONNELLY (SCOTLAND) LTD

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DONNELLY (SCOTLAND) LTD

BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2	1,328,183		800,000	
Investment properties	3	365,347		200,000	
Investments	4	2		2	
		<u>1,693,532</u>		<u>1,000,002</u>	
Current assets					
Cash at bank and in hand		1		1	
Creditors: amounts falling due within one year	6	<u>(324,187)</u>		<u>(156,847)</u>	
Net current liabilities			<u>(324,186)</u>		<u>(156,846)</u>
Total assets less current liabilities			<u>1,369,346</u>		<u>843,156</u>
Provisions for liabilities			<u>(163,335)</u>		<u>(74,545)</u>
Net assets			<u>1,206,011</u>		<u>768,611</u>
Capital and reserves					
Called up share capital	7		1		1
Revaluation reserve			1,169,653		730,381
Fair value reserve			43,591		43,681
Profit and loss reserves			<u>(7,234)</u>		<u>(5,452)</u>
Total equity			<u>1,206,011</u>		<u>768,611</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

DONNELLY (SCOTLAND) LTD

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2018

The financial statements were approved and signed by the director and authorised for issue on 27 May 2019

S G Donnelly
Director

Company Registration No. SC456990

DONNELLY (SCOTLAND) LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2018

	Share capital	Revaluation reserve	Fair value reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 September 2016	1	559,668	-	(4,817)	554,852
Year ended 31 August 2017:					
Profit for the year	-	-	43,681	(635)	43,046
Other comprehensive income:					
Revaluation of tangible fixed assets	-	200,000	-	-	200,000
Tax relating to other comprehensive income	-	(29,287)	-	-	(29,287)
Total comprehensive income for the year	-	170,713	43,681	(635)	213,759
Balance at 31 August 2017	1	730,381	43,681	(5,452)	768,611
Year ended 31 August 2018:					
Loss for the year	-	-	(90)	(1,782)	(1,872)
Other comprehensive income:					
Revaluation of tangible fixed assets	-	528,183	-	-	528,183
Tax relating to other comprehensive income	-	(88,911)	-	-	(88,911)
Total comprehensive income for the year	-	439,272	(90)	(1,782)	437,400
Balance at 31 August 2018	1	1,169,653	43,591	(7,234)	1,206,011

DONNELLY (SCOTLAND) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Company information

Donnelly (Scotland) Ltd is a private company limited by shares incorporated in Scotland. The registered office is 23 Garden Place, Aberdeen, AB10 1UQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	0%
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Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Fair value movements on investment properties are not realised profits/losses under Company law. As such, they are non-distributable and should be recorded separately from distributable profits and losses. Fair value movements on investment properties, and the associated deferred tax movements, are therefore recorded in the fair value reserve, which is a non-distributable reserve.

DONNELLY (SCOTLAND) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DONNELLY (SCOTLAND) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

DONNELLY (SCOTLAND) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Tangible fixed assets

	Land and buildings £
Cost or valuation	
At 1 September 2017	800,000
Revaluation	528,183
	<hr/>
At 31 August 2018	1,328,183
	<hr/>
Depreciation and impairment	
At 1 September 2017 and 31 August 2018	-
	<hr/>
Carrying amount	
At 31 August 2018	1,328,183
	<hr/>
At 31 August 2017	800,000
	<hr/>

Land with a carrying amount of £1,328,183 was revalued at 31 August 2018 to its fair value as estimated by the director on an open market basis.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2018 £	2017 £
Cost	780	780
Accumulated depreciation	-	-
	<hr/>	<hr/>
Carrying value	780	780
	<hr/>	<hr/>

DONNELLY (SCOTLAND) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

3 Investment property

	2018 £
Fair value	
At 1 September 2017	200,000
Additions	165,347
	<hr/>
At 31 August 2018	365,347
	<hr/>

Investment property comprises of 2 plots of land, both with buildings used for retail. The fair value of the land and buildings have been arrived at on the basis of an open market valuation carried out by the director at the reporting end date.

4 Fixed asset investments

	2018 £	2017 £
Investments	2	2
	<hr/>	<hr/>

Investments consist of investments in subsidiaries, which are carried at cost. Details of the company's subsidiaries at the reporting end date are provided in note 5.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 September 2017 & 31 August 2018	2
	<hr/>
Carrying amount	
At 31 August 2018	2
	<hr/>
At 31 August 2017	2
	<hr/>

5 Subsidiaries

Details of the company's subsidiaries at 31 August 2018 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held Direct
Donnelly Property Developments Limited	1	Property investment	Ordinary	100
Donnelly Recreation Limited	1	Holiday and activity park	Ordinary	100

Registered Office addresses:

1 23 Carden Place, Aberdeen, AB10 1UQ

DONNELLY (SCOTLAND) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

5 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Donnelly Property Developments Limited	(9,455)	97,326
Donnelly Recreation Limited	129,771	389,041

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,269	-
Amounts owed to group undertakings	164,278	2
Other creditors	157,640	156,845
	<u>324,187</u>	<u>156,847</u>

The Clydesdale Bank PLC holds a standard security over the subjects at Greenwood Loch, Fisherie, Turriff in respect of all present and future obligations and liabilities.

7 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid		
0 Ordinary share of £1 each	<u>1</u>	<u>1</u>

8 Directors' transactions

At the balance sheet date, £153,615 (2017 - £155,855) was due to the company director. The loan is unsecured, interest free and payable on demand.

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.