

Company Registration No. SC080236 (Scotland)

CULLODEN BUILDERS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
PAGES FOR FILING WITH REGISTRAR

CULLODEN BUILDERS LIMITED

COMPANY INFORMATION

Director	S Urquhart
Secretary	S Urquhart
Company number	SC080236
Registered office	Pollensa Blackpark INVERNESS IV3 8PW
Accountants	Johnston Carmichael LLP Clava House Cradlehall Business Park INVERNESS IV2 5GH

CULLODEN BUILDERS LIMITED

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CULLODEN BUILDERS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		526		657
Investment properties	4		1,745,000		1,745,000
Investments	5		485,244		432,531
			<u>2,230,770</u>		<u>2,178,188</u>
Current assets					
Debtors	6	280,057		407,732	
Cash at bank and in hand		199,985		48,652	
		<u>480,042</u>		<u>456,384</u>	
Creditors: amounts falling due within one year	7	(68,358)		(130,790)	
Net current assets			<u>411,684</u>		<u>325,594</u>
Total assets less current liabilities			<u>2,642,454</u>		<u>2,503,782</u>
Provisions for liabilities					
Deferred tax liability		92,474		103,275	
		<u>(92,474)</u>		<u>(103,275)</u>	
Net assets			<u>2,549,980</u>		<u>2,400,507</u>
Capital and reserves					
Called up share capital	8		1,000		1,000
Revaluation reserve	9		895,465		888,714
Profit and loss reserves			1,653,515		1,510,793
Total equity			<u>2,549,980</u>		<u>2,400,507</u>

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

CULLODEN BUILDERS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

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

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

The members have 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.

The financial statements were approved and signed by the director and authorised for issue on 13 December 2017

S Urquhart
Director

Company Registration No. SC080236

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Culloden Builders Limited is a private company limited by shares incorporated in Scotland. The registered office is Pollensa, Blackpark, Inverness, IV3 8PW.

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.

These financial statements for the year ended 31 March 2017 are the first financial statements of Culloden Builders Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.3 Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% Straight Line
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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 the profit and loss account.

1.4 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.

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).

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

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.

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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 and bank loans 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 direct issue 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.

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

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.

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.

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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.12 Changes to comparative figures

Rent receivable of £151,454 which was previously disclosed within other operating income in the prior year has now been reclassified as turnover to reflect a change in the nature of the company's principal activities. This adjustment has had no impact on the profit of the prior year.

2 Employees

The average monthly number of persons (including the director) employed by the company during the year was 2 (2016 - 4).

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2016 and 31 March 2017	657
Depreciation and impairment	
At 1 April 2016	-
Depreciation charged in the year	131
At 31 March 2017	131
Carrying amount	
At 31 March 2017	526
At 31 March 2016	657

4 Investment property

	2017 £
Fair value	
At 1 April 2016 and 31 March 2017	1,745,000

On 20 August 2015 the company's investment properties were valued by Graham & Sibbald Chartered Surveyors at an open market value of £1,745,000. The director believes that £1,745,000 is an appropriate valuation as at 31 March 2017.

5 Fixed asset investments

	2017 £	2016 £
Investments	485,244	432,531

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

5	Fixed asset investments	(Continued)	
	Movements in fixed asset investments		Listed investments £
	Cost or valuation		
	At 1 April 2016		432,531
	Additions		7,971
	Valuation changes		47,356
	Disposals		(2,614)
	At 31 March 2017		485,244
	Carrying amount		
	At 31 March 2017		485,244
	At 31 March 2016		432,531
6	Debtors	2017	2016
		£	£
	Amounts falling due within one year:		
	Trade debtors	335	2,523
	Corporation tax recoverable	45,924	81,885
	Other debtors	233,798	323,324
		280,057	407,732
7	Creditors: amounts falling due within one year	2017	2016
		£	£
	Trade creditors	1,041	908
	Corporation tax	27,150	78,830
	Other taxation and social security	45	16,326
	Other creditors	40,122	34,726
		68,358	130,790

Included within other creditors is a secured loan of £10,591 (2016 - £8,402).

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

9 Revaluation reserve

	2017 £	2016 £
At beginning of year	888,714	809,624
Transfer from retained earnings	6,751	14,674
At end of year	895,465	824,298

10 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2017 Balance £
Amounts owed by related parties	
Other related parties	20,000

	2016 Balance £
Amounts owed in previous period	
Other related parties	200,068

11 Directors' transactions

Interest free loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Director	-	115,256	182,330	(85,617)	211,969
		115,256	182,330	(85,617)	211,969

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on: (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

Reconciliation of equity

	Notes	1 April 2015 £	31 March 2016 £
Equity as reported under previous UK GAAP		2,271,526	2,531,270
Adjustments arising from transition to FRS 102:			
Change in fair value of investments	1	61,889	45,494
Deferred tax surplus on revaluation	2	(113,810)	(99,136)
Investment property revaluation	3	214,343	(77,121)
Equity reported under FRS 102		<u>2,433,948</u>	<u>2,400,507</u>

Reconciliation of profit for the financial period

	Notes	2016 £
Profit as reported under previous UK GAAP		4,744
Adjustments arising from transition to FRS 102:		
Change in fair value of investments	1	(16,395)
Deferred tax surplus on revaluation	2	14,674
Investment property revaluation	3	18,536
Profit reported under FRS 102		<u>21,559</u>

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity

	Notes	At 1 April 2015			At 31 March 2016		
		Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets							
Tangible assets		27,592	-	27,592	657	-	657
Investment properties	3	1,530,657	214,343	1,745,000	1,822,121	(77,121)	1,745,000
Investments	1	511,227	61,889	573,116	387,037	45,494	432,531
		<u>2,069,476</u>	<u>276,232</u>	<u>2,345,708</u>	<u>2,209,815</u>	<u>(31,627)</u>	<u>2,178,188</u>
Current assets							
Debtors		349,109	-	349,109	407,732	-	407,732
Bank and cash		31,280	-	31,280	48,652	-	48,652
		<u>380,389</u>	<u>-</u>	<u>380,389</u>	<u>456,384</u>	<u>-</u>	<u>456,384</u>
Creditors due within one year							
Taxation		(61,324)	-	(61,324)	(95,156)	-	(95,156)
Other creditors		(111,497)	-	(111,497)	(35,634)	-	(35,634)
		<u>(172,821)</u>	<u>-</u>	<u>(172,821)</u>	<u>(130,790)</u>	<u>-</u>	<u>(130,790)</u>
Net current assets		<u>207,568</u>	<u>-</u>	<u>207,568</u>	<u>325,594</u>	<u>-</u>	<u>325,594</u>
Total assets less current liabilities		<u>2,277,044</u>	<u>276,232</u>	<u>2,553,276</u>	<u>2,535,409</u>	<u>(31,627)</u>	<u>2,503,782</u>
Provisions for liabilities							
Deferred tax	2	(5,518)	(113,810)	(119,328)	(4,139)	(99,136)	(103,275)
Net assets		<u>2,271,526</u>	<u>162,422</u>	<u>2,433,948</u>	<u>2,531,270</u>	<u>(130,763)</u>	<u>2,400,507</u>
Capital and reserves							
Share capital		1,000	-	1,000	1,000	-	1,000
Revaluation reserve	2,3	737,850	136,190	874,040	1,047,850	(159,136)	888,714
Profit and loss	1	1,532,676	26,232	1,558,908	1,482,420	28,373	1,510,793
Total equity		<u>2,271,526</u>	<u>162,422</u>	<u>2,433,948</u>	<u>2,531,270</u>	<u>(130,763)</u>	<u>2,400,507</u>

CULLODEN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit for the financial period

		Year ended 31 March 2016		
		Previous UK	Effect of	FRS 102
	Notes	GAAP	transition	
		£	£	£
Turnover		105,384	151,454	256,838
Cost of sales		(90,261)	-	(90,261)
Gross profit		15,123	151,454	166,577
Administrative expenses		(50,350)	-	(50,350)
Other operating income		151,454	(151,454)	-
Exceptional items		(93,085)	18,536	(74,549)
Operating profit		23,142	18,536	41,678
Interest receivable and similar income		8,727	-	8,727
Interest payable and similar expenses		(3,370)	-	(3,370)
Amounts written off investments	1	-	(16,395)	(16,395)
Profit before taxation		28,499	2,141	30,640
Taxation		(23,755)	14,674	(9,081)
Profit for the financial period		4,744	16,815	21,559

Notes to reconciliations on adoption of FRS 102

1 - Fair value of investments

This adjustment is required to restate the carrying value of investments to reflect their fair value to meet FRS 102 requirements. Under previous UK GAAP investments were held at historic cost.

2 - Deferred tax on revaluation surplus

Under previous UK GAAP, potential deferred tax liabilities on the revaluation of investment properties were not recognised in the financial statements. Under FRS 102, potential deferred tax liabilities must be recognised. This transition adjustment reflects the recognition of a deferred tax liability on the upward revaluation on the company's investment properties.

3 - Investment property revaluation

Under previous UK GAAP an investment revaluation dated August 2015 was recorded in the year to 31 March 2016. An updated valuation at this date was subsequently completed and it was felt that this represented an appropriate valuation as at 1 April 2015, therefore the valuation has now been implemented as at the date of transition.

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.