COMPANY REGISTRATION NUMBER: SC080450

Loch Ness Monster Exhibition Centre Limited

Filleted Unaudited Financial Statements

31 October 2019

Loch Ness Monster Exhibition Centre Limited

Statement of Financial Position

31 October 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	5	**7,600**	9,500
Tangible assets	6	**3,313,045**	3,675,201
		3,320,645	3,684,701
Current assets			
Stocks		**2,234**	1,973
Debtors	7	**106,730**	65,283
Cash at bank and in hand		**167,600**	107,051
		276,564	174,307
Creditors: amounts falling due within one year	8	**407,781**	315,653
Net current liabilities		**131,217**	141,346
Total assets less current liabilities		**3,189,428**	3,543,355
Creditors: amounts falling due after more than one year	9	**1,269,243**	1,331,649
Provisions			
Taxation including deferred tax		**210,782**	243,187
Net assets		**1,709,403**	1,968,519
Capital and reserves			
Called up share capital		**100**	100
Revaluation reserve	10	**845,090**	822,703
Profit and loss account	10	**864,213**	1,145,716
Shareholders funds		**1,709,403**	1,968,519

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 October 2019 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Loch Ness Monster Exhibition Centre Limited

Statement of Financial Position *(continued)*

31 October 2019

These financial statements were approved by the board of directors and authorised for issue on 30 April 2020 , and are signed on behalf of the board by:

R W Bremner

Company Secretary

Company registration number: SC080450

Loch Ness Monster Exhibition Centre Limited

Notes to the Financial Statements

Year ended 31 October 2019

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Forbes House, 36 Huntly Street, Inverness, IV3 5PR.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Property	-	1% straight line
Fixtures and fittings	-	Ranging from 5% to 20% of NBV
Motor vehicles	-	25% reducing balance
Boat and equipment	-	Ranging from 10 %to 15% of NBV

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit and loss. If a reliable measure of fair value if no longer available without undue cost or effort for an items of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 13 (2018: 13).

5. Intangible assets

	Goodwill
	£
Cost	
At 1 November 2018 and 31 October 2019	**19,000**
Amortisation	
At 1 November 2018	**9,500**
Charge for the year	**1,900**
At 31 October 2019	**11,400**
Carrying amount	
At 31 October 2019	**7,600**
At 31 October 2018	9,500

6. Tangible assets

	Property	Fixtures and fittings	Motor vehicles	Boat and equipment	**Total**
	£	£	£	£	**£**
Cost or valuation					
At 1 November 2018	3,664,816	856,847	17,751	79,127	**4,618,541**
Additions	–	20,489	–	–	**20,489**
Revaluations	(320,262)	–	–	–	**(320,262)**
At 31 October 2019	3,344,554	877,336	17,751	79,127	**4,318,768**
Depreciation					
At 1 November 2018	119,100	790,967	12,304	20,969	**943,340**
Charge for the year	25,836	15,475	1,467	6,893	**49,671**
Impairment losses	–	12,712	–	–	**12,712**
At 31 October 2019	144,936	819,154	13,771	27,862	**1,005,723**
Carrying amount					
At 31 October 2019	3,199,618	58,182	3,980	51,265	**3,313,045**
At 31 October 2018	3,545,716	65,880	5,447	58,158	3,675,201

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit and loss. If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investment properties were valued on the basis of market value in October 2019 at £1,052,761 (2018 - £1,052,761) by R W Bremner , a director of the company.

7. Debtors

	2019	2018
	£	£
Trade debtors	**70,304**	45,405
Other debtors	**36,426**	19,878
	106,730	65,283

8. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	**120,000**	120,000
Trade creditors	**17,975**	20,473
Amounts owed to group undertakings and undertakings in which the company has a participating interest	**65,000**	–
Corporation tax	**71,562**	55,623
Social security and other taxes	**76,095**	66,868
Other creditors	**57,149**	52,689
	407,781	315,653

The bank borrowing is secured by a standard security over the following properties:- - The Drumnadrochit Hotel, Exhibition Centre and shops- The dwellinghouse known as Torrach, Drumnadrochit - The White House and Lodges, Drumnadrochit - Brackla Harbour, Loch Ness A bond and floating charge is held over the whole assets of the company. Hire purchase borrowing is secured by a charge held over the vessel called Lady Beth.

9. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	**1,260,000**	1,308,000
Other creditors	**9,243**	23,649
	1,269,243	1,331,649

The bank borrowing is secured by a standard security over the following properties:- - The Drumnadrochit Hotel, Exhibition Centre and shops- The dwellinghouse known as Torrach, Drumnadrochit - The White House and Lodges, Drumnadrochit - Brackla Harbour, Loch Ness A bond and floating charge is held over the whole assets of the company. Hire purchase borrowing is secured by a charge held over the vessel called Lady Beth. Included within creditors falling due within more than one year is an amount of £780,000 (2018 - £828,000) in respect of liabilities which fall due for payment after more than 5 years.

10. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses. The Profit and Loss reserve balance at the year end of 31 October 2019 £864,213 (2018 - £1,145,716) is made up of distributable reserves of £864,213 and non-distributable reserves of £0. Non-distributable reserves relate to gains made on the revaluation of the company's Investments Properties. The Revaluation Reserve balance at the year end of 31 October 2019 £845,090 (2018 - £822,703) relates to the revaluation of the company's freehold properties.

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	**1,218**	1,580
Later than 1 year and not later than 5 years	**–**	1,218
	1,218	2,798

12. Events after the end of the reporting period

On 25 February 2020 the hotel which is currently held as investment property was sold for £750,000.

13. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2019			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	**Balance outstanding**
	£	£	£	**£**
E A Bremner	(19)	30,961	(31,111)	**(169)**
R W Bremner	(218)	91,428	(95,000)	**(3,790)**
D Bremner	(266)	136,842	(137,000)	**(424)**
	(503)	259,231	(263,111)	**(4,383)**

	2018			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
E A Bremner	8	28,923	(28,950)	(19)
R W Bremner	(94)	97,746	(97,870)	(218)
D Bremner	(219)	54,403	(54,450)	(266)
	(305)	181,072	(181,270)	(503)

14. Related party transactions

Included within debtors is an amount of £ 463 (2018 - £450) due from a company in which a director is also a director and shareholder . At 31 October 2019 the company was due three (2018 - three) directors £ 4,383 (2018 - £503). These loans are interest free and have no definite terms of repayment .

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