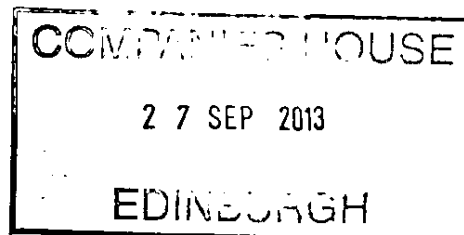


Abbreviated Audited Accounts
for the Year Ended 31 December 2012
for
Lynnet Leisure (Properties) Limited



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SCT 27/09/2013 #106
COMPANIES HOUSE

Lynnet Leisure (Properties) Limited (Registered number: SC136348)

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for the Year Ended 31 December 2012**

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Lynnet Leisure (Properties) Limited

Company Information
for the Year Ended 31 December 2012

DIRECTORS:	L Mortimer A Hunter
SECRETARY:	L Mortimer
REGISTERED OFFICE:	The Lynnet Leisure Group 3rd Floor 23 Royal Exchange Square Glasgow G1 3AJ
REGISTERED NUMBER:	SC136348
AUDITORS:	Haines Watts Chartered Accountants & Statutory Auditors 231/233 St Vincent Street Glasgow G2 5QY
BANKERS:	Lloyds Bank Corporate Markets 110 St Vincent Street Glasgow G2 5ER Clydesdale Bank plc 7th Floor Guildhall Glasgow G1 3YB
SOLICITORS:	HBJ Gateley Wareing 146 West Regent Street Glasgow G2 2RZ

Report of the Independent Auditors to
Lynnet Leisure (Properties) Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages three to six, together with the full financial statements of Lynnet Leisure (Properties) Limited for the year ended 31 December 2012 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 auditors' 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 auditors

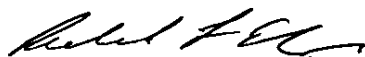
The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated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

Basis of opinion

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.



Richard Gibson BAcc CA CF (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants & Statutory Auditors
231/233 St Vincent Street
Glasgow
G2 5QY

Date: 27/09/13.....

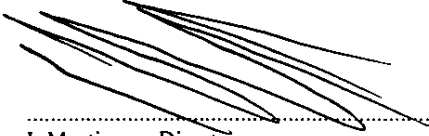
Lynnet Leisure (Properties) Limited (Registered number: SC136348)

Abbreviated Balance Sheet
31 December 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	2	1,000,000	1,610,000
Tangible assets	3	5,766,818	9,422,146
Investments	4	<u>688,455</u>	<u>778,850</u>
		7,455,273	11,810,996
CURRENT ASSETS			
Stocks		2,600,000	-
Debtors		14,775,454	9,399,371
Cash at bank		<u>4,493</u>	<u>20,887</u>
		17,379,947	9,420,258
CREDITORS			
Amounts falling due within one year	5	<u>14,305,556</u>	<u>18,635,347</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>3,074,391</u>	<u>(9,215,089)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,529,664	2,595,907
CREDITORS			
Amounts falling due after more than one year	5	(7,091,004)	-
PROVISIONS FOR LIABILITIES		<u>(22,136)</u>	<u>(276,040)</u>
NET ASSETS		<u>3,416,524</u>	<u>2,319,867</u>
CAPITAL AND RESERVES			
Called up share capital	6	250,000	250,000
Revaluation reserve		14,001	14,001
Profit and loss account		<u>3,152,523</u>	<u>2,055,866</u>
SHAREHOLDERS' FUNDS		<u>3,416,524</u>	<u>2,319,867</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25/9/2013 and were signed on its behalf by:


.....
L Mortimer - Director

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the Year Ended 31 December 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Financial reporting standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised at the point where goods or services are delivered to the customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 10% - 33.33% on cost

The directors have not charged any depreciation to property on the grounds that it would be immaterial, due to the estimated residual value of the property not being materially different from the carrying amount of the asset. The directors have performed impairment reviews in line with FRS 11 which support this justification.

Fixed assets are initially recorded at cost.

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Going concern

Lynnet Leisure (Properties) Limited was a subsidiary of Lynnet Leisure (Group) Limited ("the group") at the balance sheet date.

As described in note 4, the group entered into a consensual sale agreement with one of its principal lenders in November 2012. This covered only certain non-core group assets. The process to sell or refinance these properties is on-going with proceeds being used to permanently and fully reduce the group's debt with this lender. This process is anticipated to be completed during 2013 and has no impact on these financial statements being prepared on a going concern basis.

Freehold property

Freehold property is held as investment property. In compliance with Statement of Standard Accounting Practice No. 19 no depreciation is charged and the property is subject to an annual review of value. The directors do not consider the freehold property to have been impaired and are satisfied that the value in the accounts is accurate.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

1. **ACCOUNTING POLICIES - continued**

Goodwill

Goodwill arose on the purchase of the Rogano restaurant towards the end of 2006. The Directors believe that amortising goodwill over 50 years is reasonable given the intrinsic value of the property and the restaurant's trading name.

2. **INTANGIBLE FIXED ASSETS**

	Total £
COST	
At 1 January 2012	1,750,000
Impairments	<u>(575,000)</u>
At 31 December 2012	<u>1,175,000</u>
AMORTISATION	
At 1 January 2012	140,000
Amortisation for year	<u>35,000</u>
At 31 December 2012	<u>175,000</u>
NET BOOK VALUE	
At 31 December 2012	<u>1,000,000</u>
At 31 December 2011	<u>1,610,000</u>

3. **TANGIBLE FIXED ASSETS**

	Total £
COST OR VALUATION	
At 1 January 2012	13,012,180
Additions	97,128
Disposals	(75,000)
Reclassification/transfer	<u>(3,438,000)</u>
At 31 December 2012	<u>9,596,308</u>
DEPRECIATION	
At 1 January 2012	3,590,034
Charge for year	<u>239,456</u>
At 31 December 2012	<u>3,829,490</u>
NET BOOK VALUE	
At 31 December 2012	<u>5,766,818</u>
At 31 December 2011	<u>9,422,146</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

4. FIXED ASSET INVESTMENTS

	Investments other than loans £
COST	
At 1 January 2012	617,826
Additions	104
Disposals	(499)
At 31 December 2012	<u>617,431</u>
NET BOOK VALUE	
At 31 December 2012	<u>617,431</u>
At 31 December 2011	<u>617,826</u>

Investments (neither listed nor unlisted) were as follows:

	2012 £	2011 £
Shares held	<u>71,024</u>	<u>161,024</u>

5. CREDITORS

Creditors include an amount of £9,315,167 (2011 - £14,879,314) for which security has been given.

They also include the following debts falling due in more than five years:

	2012 £	2011 £
Repayable by instalments	<u>5,320,204</u>	<u>-</u>

6. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2012	2011
Number:	Class:	Nominal value:	£	£
250,000	Ordinary	£1	<u>250,000</u>	<u>250,000</u>

7. ULTIMATE PARENT COMPANY

The ultimate parent undertaking of Lynnet Leisure (Properties) Limited at the balance sheet date is Lynnet Leisure (Group) Limited, a company registered in Scotland.

Lynnet Leisure (Group) Limited owned 100% of the shares of this company, at the balance sheet date. Copies of the financial statements of Lynnet Leisure (Group) Limited may be obtained from Companies House.

The group undertook a restructuring exercise post year end. The ultimate parent undertaking at the date of signing is Landfern Limited, a company registered in Scotland. Landfern Limited own 100% of the shares of this company at the date of signing.

8. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are the family trusts.