

**Cairn Hotels Limited**

**Directors' report and financial  
statements**

Registered number 02801639

31 March 2018

TUESDAY



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## Directors' report

The directors present their report, together with the financial statements for the year ended 31 March 2018.

### Principal activities

The company no longer trades.

### Business review

The directors are satisfied with the result for the year.

### Results and dividends

The result for the year is nil (2017: £nil) and has been transferred to reserves. The directors do not recommend the payment of a dividend (2017: £nil).

### Directors

The directors who held office during the year were as follows:

PL Hemmings  
ML Widders

### Going concern

As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



**ML Widders**  
Director

Lynton House  
Ackhurst Park  
Chorley  
Lancashire  
PR7 1NY

11 July 2018

## **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



**KPMG LLP**

1 St Peter's Square  
Manchester  
M2 3AE  
United Kingdom

## **Independent auditor's report to the members of Cairn Hotels Limited**

### **Opinion**

We have audited the financial statements of Cairn Hotels Limited ("the company") for the year ended 31 March 2018 which comprise the Statement of Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Non Going concern basis of preparation**

We have audited the financial statements of Cairn Hotels Limited for the year ended 31 March 2018 which comprise the Statement of Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

**Independent auditor's report to the members of Cairn Hotels Limited**  
*(continued)*

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

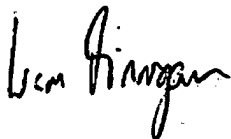
**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Liam Finnigan (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
One St Peter's Square  
Manchester  
M2 3AE

19 July 2018

**Profit and Loss account**  
*for the year ended 31 March 2018*

	<i>Note</i>	<b>2018 £000</b>	<b>2017 £000</b>
<b>Turnover</b>	<i>1</i>	-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		-	-
Administrative expenses	<i>2</i>	-	-
		<hr/>	<hr/>
<b>Operating result</b>		-	-
Interest receivable and similar income	<i>4</i>	-	158
Interest payable and similar charges	<i>5</i>	-	(158)
		<hr/>	<hr/>
<b>Result before taxation</b>		-	-
Taxation on result	<i>6</i>	-	-
		<hr/>	<hr/>
<b>Result for the year</b>		-	-
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to discontinued activities.

There was no material difference between the reported profits and the historical cost profits of the company.

The notes on pages 8 to 10 form part of the financial statements.

**Statement of Other Comprehensive Income**  
*for the year ended 31 March 2018*

The profit and loss account includes the only comprehensive income of the company for the current and prior year.

## Balance Sheet

as at 31 March 2018

	<i>Note</i>	<b>2018</b>	<b>2017</b>
		<b>£000</b>	<b>£000</b>
<b>Current assets</b>			
Debtors		-	-
Cash at bank and in hand		-	-
		<hr/>	<hr/>
			-
<b>Creditors: amounts falling due within one year</b>		-	-
		<hr/>	<hr/>
<b>Net current assets</b>			
		-	-
<b>Total assets less current liabilities</b>			
		-	-
		<hr/>	<hr/>
<b>Net assets</b>			
		-	-
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	7	-	-
Profit and loss account		-	-
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>			
		-	-
		<hr/>	<hr/>

The notes on pages 8 to 10 form part of the financial statements.

Approved by the board of directors on 11 July 2018 and signed on its behalf by:



**ML Widders**  
Director

Registered number 02801639



## Statement of Changes in Equity

	Called up Share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2016	-	-	-
Result for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2017</b>	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 1 April 2017	-	-	-
Result for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2018</b>	-	-	-
	<hr/>	<hr/>	<hr/>

The notes on pages 8 to 10 form part of the financial statements.

## Notes to the financial statements

### 1 Accounting policies

#### ***Basis of preparation***

Cairn Hotels Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 02801639 and the registered address is Lynton House, Ackhurst Park, Chorley, Lancashire, PR7 1NY.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2017 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

The company's ultimate parent undertaking, Northern Trust Group 1 Limited includes the company in its consolidated financial statements. The consolidated financial statements of Northern Trust Group 1 Limited are prepared in accordance with FRS 102, are available to the public and may be obtained from the address provided in Note 9. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

#### ***Going concern***

The company no longer trades. The directors do not intend to acquire a trade, and as such the directors have not prepared the financial statements on a going concern basis.

No adjustments were necessary to the amounts at which remaining net assets are included in these financial statements.

#### ***Related party transactions***

As the company is a wholly owned subsidiary of Northern Trust Group Limited, the company has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

#### ***Turnover***

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers during the year. All turnover arises in the United Kingdom.

#### ***Tangible fixed assets and depreciation***

Freehold buildings are not depreciated on the grounds that the depreciation charge is not material because the estimated residual value of the tangible fixed asset is not materially different from the carrying amount of the asset. Freehold buildings are reviewed for impairment at the end of each accounting period. No depreciation is provided on freehold land.

#### ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

**Notes (continued)**

**2 Expenses and auditors remuneration**

Auditor's remuneration in respect of the audit of the financial statements of £3,100 (2017: £3,000) for this company have been borne by Northern Trust Company Limited.

**3 Staff numbers and costs**

The only persons employed by the company were the directors, none of whom received any remuneration (2017: *£nil*).

**4 Interest receivable and similar income**

	<b>2018</b> <b>£000</b>	2017 £000
On loans to group undertakings	-	158
	<u>          </u>	<u>          </u>

**5 Interest payable and similar charges**

	<b>2018</b> <b>£000</b>	2017 £000
On loans from group undertakings	-	158
	<u>          </u>	<u>          </u>

**6 Taxation**

	<b>2018</b> <b>£000</b>	2017 £000
UK corporation tax at 19% (2017: 20%) on the profit for the year on ordinary activities		
Deferred tax	-	-
	<u>          </u>	<u>          </u>
Total tax expense/(credit) included in profit or loss	-	-
	<u>          </u>	<u>          </u>
<i>Reconciliation of effective tax rate</i>		
	<b>2018</b> <b>£000</b>	2018 £000
Profit on ordinary activities before taxation	-	-
	<u>          </u>	<u>          </u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 20%)	-	-
	<u>          </u>	<u>          </u>
Total tax expense/(credit) included in profit or loss	-	-
	<u>          </u>	<u>          </u>

## Notes (continued)

### 6 Taxation (continued)

#### *Factors that may affect future current and total tax charge*

From 1 April 2015 the main rate of corporation tax was reduced to 20%. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. Any deferred tax at 31 March 2018 has been calculated based on the rate of 17% being the rate substantively enacted at the balance sheet date.

### 7 Called up share capital

	2018	2017
	£	£
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 8 Contingent liabilities

The company is party to group banking arrangements for Northern Trust Company Limited. Consequently, it is jointly and severally liable for the loans and overdrafts of Northern Trust Company Limited and certain of its fellow subsidiary undertakings. At 31 March 2018 the net liability across the group under this guarantee amounted to £214,699,000 (2017: £204,205,000).

### 9 Ultimate parent company

The ultimate parent company in the UK is Northern Trust Group 1 Limited, a company registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Northern Trust Group 1 Limited. The smallest group in which the results of the company are consolidated is that headed by Northern Trust Group Limited. The consolidated financial statements of Northern Trust Group 1 Limited and Northern Trust Group Limited are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate parent company is Wordon Limited, a company registered in the Isle of Man. The ultimate controlling party are the family interests of Mr T J Hemmings.