



**Sundial Properties Limited (formerly Sundial Properties
(Gilmerton) Limited)**

Unaudited Financial Statements

For the year ended

31 December 2016

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Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Financial Statements

Year ended 31 December 2016

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Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Officers and Professional Advisers

The Board of Directors

A Gray Muir
A M Gray Muir
W J Gray Muir
C M Aitchison
A J Walker
C S Gray Muir
D C Coombs
G J Willis

Company Secretary

A Gray Muir

Registered Office

46 Charlotte Square
Edinburgh
EH2 4HQ

Accountants

Chiene + Tait LLP
Chartered Accountants
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland
46 Charlotte Square
Edinburgh
EH2 4HQ

Solicitors

Andrew Gray Muir, WS
89 Ravenscroft Street
Edinburgh
EH17 8QS

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Directors' Report *(continued)*

Year ended 31 December 2016

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2016.

Principal activities

The principal activity of the company during the year was property investment, property rental and construction services with a particular emphasis on the redevelopment of historic buildings.

The company name changed to Sundial Properties Limited on 20 June 2017.

Directors

The directors who served the company during the year were as follows:

A Gray Muir	A J Walker
A M Gray Muir	C S Gray Muir
W J Gray Muir	D C Coombs
C M Aitchison	G J Willis

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 29/09/2017 and signed on behalf of the board by:



A Gray Muir
Company Secretary

**Sundial Properties Limited (formerly Sundial Properties
(Gilmerton) Limited)**



**Chartered Accountants Report to the Board of Directors on the Preparation of
the Unaudited Statutory Financial Statements of Sundial Properties Limited
(formerly Sundial Properties (Gilmerton) Limited)**

Year ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited) for the year ended 31 December 2016, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance.

This report is made solely to the Board of Directors of Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited), as a body, in accordance with the terms of our engagement letter dated 1 October 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited) and state those matters that we have agreed to state you, as a body, in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited) and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited) has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited). You consider that Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited) is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited). For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

CHIENE + TAIT LLP
Chartered Accountants

61 Dublin Street
Edinburgh
EH3 6NL

29/9/17

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Statement of Comprehensive Income

Year ended 31 December 2016

	Note	2016 £	2015 £
Turnover		4,015,314	4,322,861
Cost of sales		3,783,347	4,054,880
Gross profit		231,967	267,981
Administrative expenses		774,541	912,522
Operating loss		(542,574)	(644,541)
Other interest receivable and similar income		62,669	106,719
Interest payable and similar expenses		314,481	240,323
Loss before taxation	6	(794,386)	(778,145)
Tax on loss	7	(168,227)	(207,146)
Loss for the financial year		(626,159)	(570,999)
Revaluation of tangible assets		–	134,374
Reclassification from revaluation reserve to profit and loss account		–	(30,000)
Other comprehensive income for the year		–	104,374
Total comprehensive income for the year		(626,159)	(466,625)

All the activities of the company are from continuing operations.

The notes on pages 7 to 15 form part of these financial statements.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Statement of Financial Position *(continued)*

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	8	2,329	1,281,359
Investments	9	4,432,235	3,905,793
		<u>4,434,564</u>	<u>5,187,152</u>
Current assets			
Stocks		1,068,238	458,373
Debtors	10	2,840,051	2,738,978
Cash at bank and in hand		81,922	638,415
		<u>3,990,211</u>	<u>3,835,766</u>
Creditors: amounts falling due within one year	11	<u>6,722,724</u>	<u>6,694,708</u>
Net current liabilities		<u>2,732,513</u>	<u>2,858,942</u>
Total assets less current liabilities		<u>1,702,051</u>	<u>2,328,210</u>
Creditors: amounts falling due after more than one year	12	<u>1,000,000</u>	<u>1,000,000</u>
Net assets		<u><u>702,051</u></u>	<u><u>1,328,210</u></u>
Capital and reserves			
Called up share capital		35,380	35,380
Share premium account		3,799,620	3,799,620
Revaluation reserve		—	158,797
Profit and loss account		(3,132,949)	(2,665,587)
Members funds		<u><u>702,051</u></u>	<u><u>1,328,210</u></u>

These financial statements have been prepared 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'.

For the year ending 31 December 2016 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.

These financial statements were approved by the board of directors and authorised for issue on 29/9/17, and are signed on behalf of the board by:


WJ Gray Muir

Company registration number: SC068924

The notes on pages 7 to 15 form part of these financial statements.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Statement of Changes in Equity

Year ended 31 December 2016

	Note	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2015		35,380	3,799,620	24,423	(2,064,588)	1,794,835
Loss for the year					(570,999)	(570,999)
Other comprehensive income for the year	13	—	—	134,374	(30,000)	104,374
Total comprehensive income for the year		—	—	134,374	(600,999)	(466,625)
At 31 December 2015		35,380	3,799,620	158,797	(2,665,587)	1,328,210
Loss for the year					(626,159)	(626,159)
Other comprehensive income for the year	13	—	—	(158,797)	158,797	—
Total comprehensive income for the year		—	—	(158,797)	(467,362)	(626,159)
At 31 December 2016		<u>35,380</u>	<u>3,799,620</u>	<u>—</u>	<u>(3,132,949)</u>	<u>702,051</u>

The notes on pages 7 to 15 form part of these financial statements.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

Sundial Properties (Gilmerton) Limited is a private company limited by shares that is incorporated and domiciled in Scotland with registered company number SC068924. The registered office is 46 Charlotte Square, Edinburgh, EH2 4HQ.

The principal activity of the company during the year was property investment, property rental and construction services with a particular emphasis on the redevelopment of historic buildings.

The company name changed to Sundial Properties Limited on 20 June 2017.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, '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 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.

Going Concern

The financial statements have been prepared on a going concern basis. The directors have assessed the company's ability to continue as a going concern and have reasonable expectation, as detailed in note 17, that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for carrying amounts of tangible assets.

Revenue recognition

Revenue arises from the sale of properties and from the provision of construction services. Revenue is measured at the fair value of the consideration received or receivable and represents amounts for the sale of properties in the normal course of business, net of discounts and other sales related taxes.

Revenue is recorded in the financial statements in connection with both property sales and the provision of construction services when a legally binding contract for service has been entered into and when the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Income tax

Tax expense for the period comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. 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 gives rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

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:

Plant & Machinery	- 20% Straight line
Fixtures & Fittings	- 33 1/3% Straight line
Motor Vehicles	- 33 1/3% to 20% Straight line

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Depreciation *(continued)*

Financial Reporting Standard (FRS) 102 requires all assets to be depreciated over their estimated economic life, taking account of any residual value of the assets. Heritable properties are considered to have a high residual value, and a useful economic life in excess of 50 years. The depreciation charge is immaterial and no charge has therefore been made.

Where no charge for depreciation is made and where the useful economic life exceeds 50 years an impairment review under FRS 102 should be carried out on an annual basis. Such a review has been performed and this shows that the value of the properties exceeds the carrying value in the financial statements.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

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.

Stocks

Work in progress is represented by property regarded as trading stock and is valued at the lower of cost and net realisable value. Transfers from investment properties to work in progress are carried out at market value at the date of transfer.

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, which include trade and other receivables and cash and bank balances, 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 receipts discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Defined contribution plans

The company makes contributions to defined contribution pension schemes on behalf of certain employees. Contributions are charged to the profit and loss account in the period to which they relate.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

4. Auditor's remuneration

	2016 £	2015 £
Fees payable for the audit of the financial statements	<u>–</u>	<u>14,375</u>

5. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 46 (2015: 45).

6. Profit before taxation

Loss before taxation is stated after (crediting)/charging:

	2016 £	2015 £
Depreciation of tangible assets	3,787	4,165
Impairment of tangible assets	–	143,284
Reversal of impairment of tangible assets	<u>(392,944)</u>	<u>–</u>

7. Tax on loss

Major components of tax income

	2016 £	2015 £
Current tax:		
Adjustments in respect of prior periods	(146)	–
Group relief receivable	<u>(168,081)</u>	<u>(207,146)</u>
Total current tax	<u>(168,227)</u>	<u>(207,146)</u>
Tax on loss	<u>(168,227)</u>	<u>(207,146)</u>

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20.25%).

	2016 £	2015 £
Loss on ordinary activities before taxation	<u>(794,386)</u>	<u>(778,145)</u>
Loss on ordinary activities by rate of tax	<u>(158,877)</u>	<u>(157,574)</u>
Effect of expenses not deductible for tax purposes	8,234	29,243
Utilisation of tax losses	28,325	–
Unused tax losses	32,826	(10,836)
Rounding on tax charge	(146)	–
Income not taxable	<u>(78,589)</u>	<u>(67,979)</u>
Tax on loss	<u>(168,227)</u>	<u>(207,146)</u>

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements (continued)

Year ended 31 December 2016

7. Tax on loss (continued)

Factors that may affect future tax income

A reduction in the UK corporation tax rate from 21% to 20% took effect from 1 April 2015. A further reduction from 20% to 19% was enacted in November 2015 and will take effect from 1 April 2017. A further reduction from 19% to 17% will take effect from 1 April 2020.

The company has £2,224,560 (2015: £1,864,113) of unused tax losses carried forward and these tax losses have no expiry date. The company has an unrecognised deferred tax asset of £437,461 (2015: £337,867), mainly in respect of these tax losses carried forward.

8. Tangible assets

	Investment property £	Heritable property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 Jan 2016	1,126,296	150,000	29,604	243,839	12,692	1,562,431
Additions	3	–	–	1,053	–	1,056
Disposals	(1,126,299)	(150,000)	–	–	–	(1,276,299)
At 31 Dec 2016	–	–	29,604	244,892	12,692	287,188
Depreciation						
At 1 Jan 2016	–	–	26,758	241,622	12,692	281,072
Charge for the year	–	–	1,283	2,504	–	3,787
At 31 Dec 2016	–	–	28,041	244,126	12,692	284,859
Carrying amount						
At 31 Dec 2016	–	–	1,563	766	–	2,329
At 31 Dec 2015	1,126,296	150,000	2,846	2,217	–	1,281,359

The original cost of the investment properties and heritable properties noted above at valuation is £1,245,160 (2015: £1,245,157) and £45,626 (2015: £45,626).

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements (continued)

Year ended 31 December 2016

9. Investments

	Shares in group undertakings £	Loans to group undertakings £	Fine art £	Total £
Cost				
At 1 January 2016	3,525,446	1,545,560	237,335	5,308,341
Additions	—	133,498	—	133,498
At 31 December 2016	3,525,446	1,679,058	237,335	5,441,839
Impairment				
At 1 January 2016	1,402,548	—	—	1,402,548
Reversal of impairment losses	(392,944)	—	—	(392,944)
At 31 December 2016	1,009,604	—	—	1,009,604
Carrying amount				
At 31 December 2016	2,515,842	1,679,058	237,335	4,432,235
At 31 December 2015	2,122,898	1,545,560	237,335	3,905,793

10. Debtors

	2016 £	2015 £
Trade debtors	—	335,448
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,548,698	2,074,877
Other debtors	291,353	328,653
	2,840,051	2,738,978

11. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	—	973,968
Trade creditors	203,655	287,347
Amounts owed to group undertakings and undertakings in which the company has a participating interest	3,792,023	2,789,292
Social security and other taxes	78,211	70,371
Other loans	1,796,023	1,308,044
Other creditors	852,812	1,265,686
	6,722,724	6,694,708

The bank loans were repaid during the year and were secured by standard securities over specific properties. Interest was charged on specific loans at base rate plus 1.5%, LIBOR plus 1.5% and LIBOR plus 4.5%.

The other loans are repayable within twelve months and pay interest at rates between 7.5% and 9.5%.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

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

	2016 £	2015 £
Convertible loan stock	<u>1,000,000</u>	<u>1,000,000</u>

The convertible loan notes carry an interest rate of 10.55% and are fully repayable on 31 January 2019.

13. Analysis of other comprehensive income

	Revaluation reserve £	Profit and loss account £	Total £
Year ended 31 December 2016			
Reclassification from revaluation reserve to profit and loss account	<u>(158,797)</u>	<u>158,797</u>	<u>—</u>
Year ended 31 December 2015			
Revaluation of tangible assets	134,374	—	134,374
Reclassification from revaluation reserve to profit and loss account	<u>—</u>	<u>(30,000)</u>	<u>(30,000)</u>
	<u>134,374</u>	<u>(30,000)</u>	<u>104,374</u>

14. Directors' advances, credits and guarantees

During the year there were no advances, credits or guarantees made in favour of the directors (2015: none). Included within other creditors are loans due to directors of £484,623 (2015: £473,866). The loans are for no fixed period, interest is charged at rates between 8.5% and 9.5%.

Sundial Properties Limited (formerly Sundial Properties (Gilmerton) Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

15. Related party transactions

A Gray Muir and W J Gray Muir provided a personal guarantee for up to £660,000 of sums due to the Royal Bank of Scotland. A guarantee fee of £9,933 (2015: £26,400) was paid to W J Gray Muir for the year.

During the year the company made various repayments to Fox Edinburgh Limited and were advanced various sums from Fox Edinburgh Limited, a company of which W J Gray Muir and C S Gray Muir are directors. At the year end the balance due to Fox Edinburgh Limited was £437,000 (2015: £437,149). The loan is interest free and repayable on demand.

During the year the company repaid loan advances from HV Developments Limited, a company in which W J Gray Muir and A M Gray Muir are directors. The amount outstanding at the year end was £nil (2015: £105,000).

During the year the company charged £303,823 (2015: £2,147,965) for construction services plus VAT to RW Leith Limited, a subsidiary. The amount outstanding at the year end was £nil (2015: £94,180) plus VAT.

In addition, during the year the company made various loan advances to RW Leith Limited. The amount outstanding at the year end was £1,679,058 (2015: £1,681,702). Interest charged on the loans during the year amounted to £16,098 (2015: £59,266) and the amount of interest outstanding at the year end was £nil (2015: £nil).

Also, during the year the company was charged interest of £63,942 (2015: £nil) by RW Leith a subsidiary company, on net intercompany loans. The amount outstanding at the year end was £nil (2015: £nil).

During the year the company repaid the loan due to RW Developments Limited. RW Developments Limited is a company owned by Fox Edinburgh Limited and the father of one of the company's directors. The amount due to RW Developments Limited at the year end was £nil (2015: £191,788).

During the year the company repaid the loan from Sundial Dundas Limited, a related Joint Venture company. The amount due to Sundial Dundas Limited at the year end was £nil (2015: £10,600).

16. Controlling party

The ultimate parent undertaking is Sundial Holdings Limited, a company incorporated in Scotland. Copies of the group financial statements are available from 46 Charlotte Square, Edinburgh, EH2 4HQ.

17. Going concern

The directors consider the company to be a going concern and therefore the financial statements have been prepared on a going concern basis. The future operations of the company are dependent on the continued financial support of the company's bankers and transaction activity within property markets to provide liquidity to the company prospectively.

Material adverse changes could occur in the amount and timing of cash flows compared to management prepared projections which could cast significant doubt upon the company's ability to continue as a going concern. Nevertheless after making enquiries, and considering the uncertainties described above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.