

Company Registration No. SC174646 (Scotland)

MEARNSKIRK HOUSE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
PAGES FOR FILING WITH REGISTRAR



MEARNSKIRK HOUSE LIMITED

COMPANY INFORMATION

Directors	D A Fairfoull J C Campbell J B Dunlop
Secretary	D A Fairfoull
Company number	SC174646
Registered office	Alderstone House MacMillan Road Livingston EH54 7AW
Auditor	Johnston Carmichael LLP 7-11 Melville Street Edinburgh EH3 7PE

MEARNSKIRK HOUSE LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

MEARNSKIRK HOUSE LIMITED

BALANCE SHEET

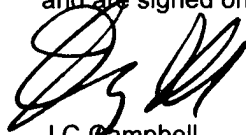
AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		2,152,730		2,152,730
Current assets					
Debtors	4	13,017		11,852	
Cash at bank and in hand		115,797		270,076	
		<u>128,814</u>		<u>281,928</u>	
Creditors: amounts falling due within one year	5	<u>(290,635)</u>		<u>(266,469)</u>	
Net current (liabilities)/assets			(161,821)		15,459
Total assets less current liabilities			<u>1,990,909</u>		<u>2,168,189</u>
Provisions for liabilities			<u>(137,334)</u>		<u>(136,979)</u>
Net assets			<u><u>1,853,575</u></u>		<u><u>2,031,210</u></u>
Capital and reserves					
Called up share capital	7	450,000		450,000	
Profit and loss reserves		1,403,575		1,581,210	
Total equity			<u><u>1,853,575</u></u>		<u><u>2,031,210</u></u>

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

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 by the board of directors and authorised for issue on 29 August 2017 and are signed on its behalf by:



J C Campbell
Director

Company Registration No. SC174646

MEARNSKIRK HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Mearnskirk House Limited is a private company limited by shares incorporated in Scotland. The registered office is Alderstone House, MacMillan Road, Livingston, EH54 7AW.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity under FRS 102 Section 1.2 on the grounds that its parent company (James Walker (Leith) Limited) prepares publicly available consolidated financial statements, in which the company results are included. These accounts are available from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

The company has therefore taken the following exemptions under the reduced disclosure framework of FRS 102:

- from the requirement to present a statement of cashflows.
- from the requirement of FRS 102 Section 11 paragraphs 11.39 to 11.48A relating to certain financial instrument disclosures as equivalent disclosures are included within consolidated financial statements.
- from the requirement to disclose key management personnel compensation.

In addition to the disclosure exemptions outlined above, which are applicable to qualifying entities, the company has also taken advantage of the exemptions available for small companies, contained within Section 1A of FRS 102.

1.2 Going concern

At 31 March 2017 the company had net current liabilities of £161,821 (2016: net assets of £15,459). James Walker (Leith) Limited, the ultimate parent company has confirmed in writing of its intention to support the company for at least one year from the date of signing of these financial statements to continue to allow it to meet its liabilities as they fall due.

1.3 Turnover

The turnover shown in the profit and loss account represents the fair value of the consideration received or receivable during the year in respect of facilities management services, exclusive of Value Added Tax.

1.4 Tangible fixed assets

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

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

Heritable land and buildings	Nil
Fixtures, fittings & equipment	7 years

MEARNSKIRK HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

No depreciation is provided on the company's heritable land and buildings. It is the directors' belief that the residual value of these is at least equal to the book value. Having regard to this, it is considered that the depreciation of any such property as required by the Companies Act 2006 and standard accounting practice would not be material.

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 profit or loss.

1.5 Impairment of fixed assets

At each reporting 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial liabilities

Trade payables are initially recognised at transaction price, and thereafter are stated at amortised cost using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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.

MEARNSKIRK HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

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 taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MEARNSKIRK HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment of fixed assets

At each reporting 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The fair value of the property has been arrived at on the basis of an in-house valuation performed by individuals with recognised and relevant professional qualifications.

Value in use is determined by discounting the future cash flows generated from the continuing use of the asset. The key assumptions are made by management reflecting past experience combined with their knowledge as to future performance and relevant external sources of information. They are:

- inflation rates;
- discount rate;
- estimated sales prices and constructions costs; and
- asset replacement profile.

Sensitivity analysis indicated that no reasonable foreseeable change in the key assumptions will result in a significant impairment charge being recorded in the financial statements.

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2016 and 31 March 2017	2,152,730	253,392	2,406,122
Depreciation and impairment			
At 1 April 2016 and 31 March 2017	-	253,392	253,392
Carrying amount			
At 31 March 2017	2,152,730	-	2,152,730
At 31 March 2016	2,152,730	-	2,152,730

MEARNSKIRK HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

4 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	493	-
Amounts due from group undertakings	59	52
Other debtors	12,465	11,800
	<u>13,017</u>	<u>11,852</u>

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	144,659	144,637
Amounts due to group undertakings	44,813	37,458
Corporation tax	57,413	65,623
Other taxation and social security	12,719	12,049
Other creditors	31,031	6,702
	<u>290,635</u>	<u>266,469</u>

6 Provisions for liabilities

	2017	2016
	£	£
Deferred tax liabilities	137,334	136,979
	<u>137,334</u>	<u>136,979</u>

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital Issued and fully paid 450,000 Ordinary shares of £1 each	<u>450,000</u>	<u>450,000</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Irvine Spowart.

The auditor was Johnston Carmichael LLP.

MEARNSKIRK HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Securities

An inter-company guarantee exists in favour of the Royal Bank of Scotland Plc among Walker Timber Limited, James Walker (Leith) Limited, Patrick and Thompsons Limited, Dundas Building Co. Ltd, Dundas Estates & Development Co. Limited, Ferryfield House Limited, Ellen's Glen House Limited, Walker Commercial Properties Limited, Walker Facilities Management Limited, Walker Residential Properties Limited, The Meadows Stockport Limited, Mearnskirk House Limited, Walker Healthcare Limited, Walker Timber Group Limited, Woodbridge Timber Limited, Guildway Limited, Cox Long Limited, WTG Treatment Limited and Cramond Residence Limited.

As there is a net cash surplus for the companies noted above, there is no overall group exposure under the cross guarantee at the year end.

NHS Greater Glasgow hold a standard security and a bond and floating charge over the land at Mearnskirk House, Glasgow.

10 Related party transactions

As a wholly owned subsidiary of James Walker (Leith) Limited, advantage has been taken of the exemption granted by Section 33 Related Party Disclosures 33.1A, not to disclose transactions entered into between two or more members of the group, with entities that are wholly owned by the common parent undertaking.

11 Parent company

The company's immediate parent undertaking is Walker Healthcare Limited, a company which is registered in Scotland.

The company's ultimate parent undertaking is James Walker (Leith) Limited, a company registered in Scotland, which is the smallest and largest group of companies for which group financial statements are prepared. Copies of the group financial statements are available to the public from Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.