

COMPANY REGISTRATION NUMBER: SC222309

**Sundial (Drumsheugh) Limited**  
**Filleted Unaudited Financial Statements**  
**For the year ended**  
**31 December 2021**

# Sundial (Drumsheugh) Limited

## Statement of Financial Position

31 December 2021

		2021	2020
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	5	494,977	577,684
<b>Current assets</b>			
Debtors	6	2,873	1,890
Cash at bank and in hand		364,884	51,025
		367,757	52,915
<b>Creditors: amounts falling due within one year</b>	7	1,456,127	1,547,380
<b>Net current liabilities</b>		1,088,370	1,494,465
<b>Total assets less current liabilities</b>		( 593,393)	( 916,781)
<b>Creditors: amounts falling due after more than one year</b>	8	290,000	–
<b>Provisions</b>			
Taxation including deferred tax		9,558	–
<b>Net liabilities</b>		( 892,951)	( 916,781)
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		( 892,952)	( 916,782)
<b>Shareholder deficit</b>		( 892,951)	( 916,781)

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 Section 1A of 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 income and retained earnings has not been delivered.

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his 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 22 September 2022 , and are signed on behalf of the board by:

W J Gray Muir

Director

Company registration number: SC222309

# **Sundial (Drumsheugh) Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2021**

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### **1. General information**

The company is a private company limited by shares that is incorporated and domiciled in Scotland, with registered company number SC222309. The address of the registered office is 46 Charlotte Square, Edinburgh, EH2 4HQ.

### **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. Going concern The financial statements have been prepared on a going concern basis. The director has assessed the company's ability to continue as a going concern and has reasonable expectation, as detailed in the Going Concern note, that the company has adequate resources to continue in operational existence for the foreseeable future. The director has reviewed budgets and forecasts for the forthcoming year and is satisfied that the company maintains an appropriate level of liquidity, sufficient to meet the demands of the business. Thus he continues to adopt the going concern basis of accounting in preparing these financial statements.

#### **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. i) Valuation of investment properties The valuation of investment properties held is sensitive both to market movements and risks associated with individual properties. The directors use their professional knowledge and experience of the property market to reassess the valuations on an annual basis. Where necessary the valuations are amended to reflect the current estimates of their values.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents rental income, in accordance with the terms of the lease agreement, stated net of discounts and of Value Added Tax.

#### **Taxation**

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.

## **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:

Investment property	-	Fair value at each reporting date
Fixtures and fittings	-	20% Straight line

### **Investment properties**

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.

### **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.

### **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

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. 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 assets, which include other debtors 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. Basic financial liabilities, which include amounts owed to group undertakings and other creditors 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. At each reporting date the company assesses whether there is objective evidence that any financial asset has been impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due. The amount of the provision is recognised immediately in profit or loss .

### 4. Average number of employees

The average numbers of employees for the year, including directors, was 1 (2020: 1).

### 5. Tangible assets

	Investment property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	1,061,840	47,559	<b>1,109,399</b>
Additions	—	369	<b>369</b>
Disposals	( 76,417)	—	<b>( 76,417)</b>
<b>At 31 December 2021</b>	<b>985,423</b>	<b>47,928</b>	<b>1,033,351</b>
<b>Depreciation or impairment</b>			
At 1 January 2021	503,350	28,365	<b>531,715</b>
Charge for the year	—	9,586	<b>9,586</b>
Disposals	( 2,927)	—	<b>( 2,927)</b>
<b>At 31 December 2021</b>	<b>500,423</b>	<b>37,951</b>	<b>538,374</b>
<b>Carrying amount</b>			
<b>At 31 December 2021</b>	<b>485,000</b>	<b>9,977</b>	<b>494,977</b>
At 31 December 2020	558,490	19,194	577,684

The original cost of the investment properties noted above at valuation is £953,050 (2020: £1,029,467).

### 6. Debtors

	2021 £	2020 £
Other debtors	<b>2,873</b>	1,890

**7. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors		266
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,428,789	1,540,051
Other creditors	27,072	7,309
	<u>1,456,127</u>	<u>1,547,380</u>

**8. Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Bank loans and overdrafts	<u>290,000</u>	<u>—</u>

**9. Related party transactions**

The company has taken advantage of exemption under FRS 102 Section 1A from the requirement to disclose information with entities that are wholly owned in the group.

**10. Controlling party**

The company's ultimate parent undertaking is Sundial Holdings Limited, a company incorporated in Scotland. Group financial statements can be obtained from 46 Charlotte Square, Edinburgh, EH2 4HQ.

**11. Going concern**

The director considers 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 its parent undertaking.

The parent company has confirmed that it is its intention to provide support to the company for a period of not less than twelve months from the date of finalisation of these financial statements.

The director, in preparing these financial statements, is mindful of general economic conditions. The director is confident that the company can meet its obligations as they fall due. The key assumption is the continued financial support of the company's parent undertaking.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.