

Registered Number: SC289982

**CAIRNSTAR (PERTH) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**



# CAIRNSTAR (PERTH) LIMITED

## COMPANY INFORMATION

<b>Directors</b>	B W C McGhee S P King S McQuade
<b>Company Number</b>	SC289982
<b>Registered Office</b>	Hamilton House 70 Hamilton Drive Glasgow G12 8DR
<b>Auditor</b>	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
<b>Bankers</b>	The Royal Bank of Scotland plc 36 St Andrews Square Edinburgh EH2 2YB
<b>Solicitors</b>	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL

# CAIRNSTAR (PERTH) LIMITED

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## CAIRNSTAR (PERTH) LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their strategic report for the year ended 31 March 2015.

#### Principal activity

The principal activity of the company is the operation of a cinema.

#### Review of the Business

Sales were £1,787,752 (2014: £1,658,282) and operating profit was £125,775 (2014: £279,402). The operating profit to sales % for the year was 7.0% (2014: 16.8%). The directors are satisfied with the performance of the business.

At the end of the year, net assets were £1,043,123 (2014: £922,721).

On 31 March 2015 the fixed assets and trading assets and liabilities were transferred to the company's immediate parent undertaking.

The directors continue to monitor all KPI's within the company and have noted above those that are key to the ongoing trade of the business.

#### Future developments

The company is now dormant and not expected to trade in the future; the directors are reviewing the future activities of the company.

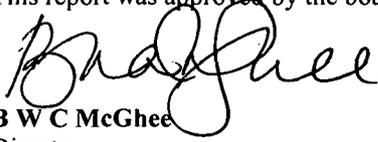
#### Principal risks and uncertainties

As the company is dormant from 31 March 2015, the directors do not consider that there are any prevailing principal risks or uncertainties which affect the company.

This report was approved by the board on

28/08/2015

and signed on its behalf.

  
B W C McGhee  
Director

## CAIRNSTAR (PERTH) LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

#### Results and dividend

The profit for the year, after taxation, amounted to £120,402 (2014: £208,727). The directors have not recommended that a dividend be paid (2014: £nil).

#### Directors

The directors who served during the year were:

B W C McGhee  
S King  
S McQuade

#### Financial instruments

The company does not actively use financial instruments as part of its financial risk management.

#### Provision of information to auditor

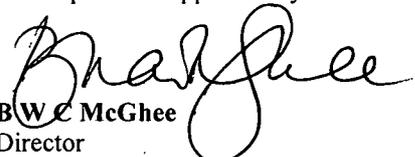
So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the board on

28/08/2015

and signed on its behalf.

  
B W C McGhee  
Director

## **CAIRNSTAR (PERTH) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2015**

The directors are responsible for preparing the strategic report, 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 period. 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

## **CAIRNSTAR (PERTH) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAIRNSTAR (PERTH) LIMITED**

We have audited the financial statements of Cairnstar (Perth) Limited for the year ended 31 March 2015 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**CAIRNSTAR (PERTH) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAIRNSTAR (PERTH) LIMITED**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

*BDO LLP,*

*Charles Barnett (Senior statutory auditor)*

*For and on behalf of BDO LLP*

*Statutory auditor*

*Glasgow, UK*

*Date:*

*28/8/15*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**CAIRNSTAR (PERTH) LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
<b>TURNOVER</b>	1,2	<b>1,787,752</b>	1,658,282
Cost of sales		<u>(669,630)</u>	<u>(654,569)</u>
<b>GROSS PROFIT</b>		<b>1,118,122</b>	1,003,713
Selling and distribution costs		<b>(653,816)</b>	(510,767)
Administrative expenses		<b>(338,529)</b>	(213,544)
<b>OPERATING PROFIT</b>	3	<b>125,777</b>	279,402
Interest receivable		<u>1,128</u>	<u>757</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>126,905</b>	280,159
Tax on profit on ordinary activities	5	<b>(6,503)</b>	(71,432)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	14	<b><u>120,402</u></b>	<b><u>208,727</u></b>

The company has no recognised gains or losses in 2015 or 2014 other than those included in the profit and loss account.

All results shown above are in respect of discontinued activities.

The notes on pages 8 to 13 form part of these financial statements.

**CAIRNSTAR (PERTH) LIMITED**

**BALANCE SHEET AS AT 31 MARCH 2015**

	Note	2015	2015 £	2014	2014 £
<b>FIXED ASSETS</b>					
Intangible fixed assets	6		-		262,941
Tangible fixed assets	7		-		2,178,674
			-		2,441,615
<b>CURRENT ASSETS</b>					
Stocks	0	-		5,819	
Debtors: amounts falling due after more than one year	9	1,066,143		-	
Debtors: amounts falling due within one year	9	-		215,631	
Cash at bank		25,000		500,673	
		1,091,143		722,123	
<b>CREDITORS: amounts falling due within one year</b>	10	(48,020)		(207,848)	
<b>NET CURRENT ASSETS</b>			1,043,123		514,275
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,043,123		2,955,890
<b>CREDITORS: amounts falling due after more than one year</b>	11		-		(2,004,701)
<b>PROVISION FOR LIABILITIES</b>					
Deferred tax	12		-		(28,468)
<b>NET ASSETS</b>			1,043,123		922,721
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		1		1
Profit and loss account	14		1,043,122		922,720
<b>SHAREHOLDERS' FUNDS</b>	15		1,043,123		922,721

The financial statements were approved and authorised for issue by the board on and were signed on its behalf by:

28/08/2015



**S P King**  
Director

**Cairnstar (Perth) Limited**

**Registered Number: SC289982**

The notes on pages 8 to 13 form part of these financial statements

**1. ACCOUNTING POLICIES**

**1.1. Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**1.2. Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cashflow statement in accordance with FRS 1.

**1.3. Turnover**

Turnover comprises receipts in the period for the admission to the cinema, confectionery sales and advertising income exclusive of Value Added Tax.

**1.4. Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life on a 10% straight line basis. Provision is made for any impairment in accordance with applicable accounting standards.

**1.5. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Furniture, fittings and equipment	-	20% straight line

Freehold land is not depreciated.

**1.6. Stocks**

Stocks are stated at the lower of cost and net realisable value.

**1.7. Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse and are not discounted.

**2. TURNOVER**

The total turnover of the company for the year has been derived from its principal activity. All turnover arose within the United Kingdom.

# CAIRNSTAR (PERTH) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

### 3. OPERATING PROFIT

The operating profit is stated after charging:

	2015	2014
	£	£
Amortisation – intangible fixed assets	100,000	100,000
Depreciation of tangible fixed assets:		
- owned by the company	<u>235,415</u>	<u>112,613</u>

Directors' remuneration is incurred by the intermediate parent company and it is not practicable to allocate a proportion to the company (2014: £nil).

The audit fee for the company is incurred by the intermediate parent company. The audit fee for this company is £2,850 (2014: £2,850).

The company, being a subsidiary, has taken exemption from disclosing non-audit remuneration payable as the required disclosure is made within the parent company statutory accounts.

### 4. STAFF COSTS

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	286,216	236,840
Social security costs	<u>25,493</u>	<u>20,246</u>
	<u>311,709</u>	<u>257,086</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015	2014
	No.	No.
Managerial and administration	8	7
Hourly paid staff	<u>10</u>	<u>9</u>
	<u>18</u>	<u>16</u>

### 5. TAXATION

a) The tax charge is based on profit for the year and comprises:

	2015	2014
	£	£
<b>Current tax</b> (see note 5b)		
UK corporation tax charge on profits for the year	34,969	77,320
Adjustments in respect of prior years	<u>2</u>	<u>-</u>
	34,971	77,320
<b>Deferred tax</b> (see note 12)		
Origination and reversal of timing differences	(28,468)	(5,888)
	<u>6,503</u>	<u>71,432</u>
<b>Tax on profit on ordinary activities</b>		

**CAIRNSTAR (PERTH) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**5. TAXATION (continued)**

(b) The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>126,905</u>	<u>280,159</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21 % (2014: 23%)	26,650	64,437
<i>Effects of:</i>		
Depreciation in excess of capital allowances	8,319	12,883
Adjustment in respect of prior years	<u>2</u>	<u>-</u>
Current tax charge for the year (note 5a)	<u>34,971</u>	<u>77,320</u>

There were no factors that may affect future tax charges.

**6. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b> £
<b>Cost</b>	
At 1 April 2014	1,000,000
Disposals	<u>(1,000,000)</u>
At 31 March 2015	<u>-</u>
<b>Amortisation</b>	
At 1 April 2014	737,059
Charge for the year	100,000
Disposals	<u>(837,059)</u>
At 31 March 2015	<u>-</u>
<b>Net book value</b>	
At 31 March 2015	<u>-</u>
At 31 March 2014	<u>262,941</u>

**CAIRSTAR (PERTH) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**7. TANGIBLE FIXED ASSETS**

<b>Cost</b>	<b>Freehold property £</b>	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
At 1 April 2014	2,304,284	387,677	2,691,961
Additions	965	1,228,355	1,229,320
Disposals	(2,305,249)	(1,616,032)	(3,921,281)
At 31 March 2015	-	-	-
<b>Depreciation</b>			
At 1 April 2014	324,787	188,499	513,286
Charge for the year	47,134	188,281	235,415
Disposals	(371,921)	(376,780)	(748,701)
At 31 March 2015	-	-	-
<b>Net book value</b>			
At 31 March 2015	-	-	-
<b>Net book value</b>			
At 31 March 2014	1,979,497	199,177	2,178,674

**8. STOCKS**

	<b>2015 £</b>	<b>2014 £</b>
Goods for resale	-	5,819

**9. DEBTORS**

	<b>2015 £</b>	<b>2014 £</b>
<b>Due after one year</b>		
Amounts owed by group undertakings	1,066,143	-
<b>Due within one year</b>		
Prepaid expenses and accrued income	-	207,676
Other debtors	-	7,955
	-	215,631

**10. CREDITORS: Amounts falling due within one year**

	<b>2015 £</b>	<b>2014 £</b>
Corporation tax	25,968	93,506
Social security and other taxes	22,052	29,317
Accruals and deferred income	-	85,025
	48,020	207,848

**CAIRNSTAR (PERTH) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**11. CREDITORS: Amounts falling due after more than one year**

	2015 £	2014 £
Amounts due to group undertakings	<u>-</u>	<u>2,004,701</u>

**12. DEFERRED TAXATION**

	2015 £	2014 £
At 1 April 2014	28,468	34,356
Credited during the year	(28,468)	(5,888)
At 31 March 2015	<u>-</u>	<u>28,468</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>-</u>	<u>28,468</u>

**13. SHARE CAPITAL**

	2015 £	2014 £
<b>Authorised</b> 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b> 1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**14. RESERVES**

	<b>Profit and loss account £</b>
At 1 April 2014	922,720
Profit for the year	120,402
At 31 March 2015	<u>1,043,122</u>

**15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Opening shareholders' funds	922,721	713,994
Profit for the year	120,402	208,727
Closing shareholders' funds	<u>1,043,123</u>	<u>922,721</u>

**16. CAPITAL COMMITMENTS**

At 31 March 2015, the Company had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>545,000</u>

**CAIRNSTAR (PERTH) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

**17. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption under paragraph 3(c) of FRS 8 and accordingly transactions between companies within the Group are not disclosed.

**18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent undertaking is G1 Cinemas Limited. The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is G1 Group (Holdings) PLC, a company registered in Scotland. Consolidated accounts are available from the company's registered office. In the opinion of the directors, this is the ultimate parent company. The ultimate controlling party is S.P. King.