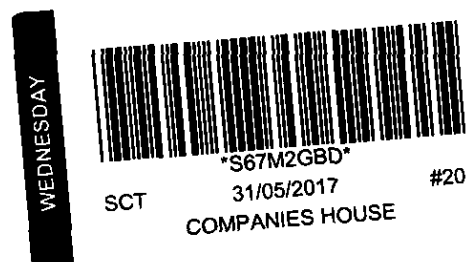


Dawnside Developments Limited
Filleted Financial Statements
31st August 2016



CONDIE & CO
Chartered accountant & statutory auditor
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

Dawnside Developments Limited

Financial Statements

Year Ended 31st August 2016

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Dawnside Developments Limited

Officers and Professional Advisers

The Board of Directors	G K Donaldson J K Donaldson
Company Secretary	J K Donaldson
Registered Office	Geddes House Kirkton North Livingston West Lothian EH54 6GU
Auditor	Condie & Co Chartered accountant & statutory auditor 10 Abbey Park Place Dunfermline Fife KY12 7NZ
Bankers	Clydesdale Bank Cairngorm House Almondvale Boulevard Livingston EH54 6QL
Solicitors	KW Law Torridon House Almondvale Boulevard Livingston EH54 6QY

Dawnside Developments Limited

Directors' Responsibilities Statement

Year Ended 31st August 2016

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 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 judgments 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.

Dawnside Developments Limited

Independent Auditor's Report to the Member of Dawnside Developments Limited

Year Ended 31st August 2016

We have audited the financial statements of Dawnside Developments Limited for the year ended 31st August 2016 which comprise the statement of financial position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's member, 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 member 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 member 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31st August 2016 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 Matter Prescribed by the Companies Act 2006

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

Dawnside Developments Limited

Independent Auditor's Report to the Member of Dawnside Developments Limited *(continued)*

Year Ended 31st August 2016

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; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Sharon Collins (Senior Statutory Auditor)

For and on behalf of
Condie & Co
Chartered accountant & statutory auditor

10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

26th May 2017

Dawnside Developments Limited

Statement of Financial Position

31st August 2016

	Note	2016 £	£	2015 £
Fixed Assets				
Tangible assets	10		547,865	306,659
Investments	11		580	580
			<u>548,445</u>	<u>307,239</u>
Current Assets				
Debtors	12	1,281,729		1,362,354
Cash at bank and in hand		103,719		54,020
		<u>1,385,448</u>		<u>1,416,374</u>
Creditors: amounts falling due within one year	13	<u>1,516,150</u>		<u>940,032</u>
Net Current (Liabilities)/Assets			(130,702)	<u>476,342</u>
Total Assets Less Current Liabilities			<u>417,743</u>	<u>783,581</u>
Creditors: amounts falling due after more than one year	14		–	385,951
Provisions				
Taxation including deferred tax	15		49,561	47,422
Net Assets			<u>368,182</u>	<u>350,208</u>
Capital and Reserves				
Called up share capital	17		250,100	250,100
Profit and loss account	18		118,082	100,108
Member Funds			<u>368,182</u>	<u>350,208</u>

The directors 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.

These financial statements were approved by the board of directors and authorised for issue on 25th May 2017, and are signed on behalf of the board by:


G K Donaldson
Director

Company registration number: SC124035

The notes on pages 6 to 17 form part of these financial statements.

Dawnside Developments Limited

Notes to the Financial Statements

Year Ended 31st August 2016

1. General Information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Geddes House, Kirkton North, Livingston, West Lothian, EH54 6GU.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Short Term Debtors and Creditors

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 income statement in other operating expenses.

Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequently investment properties whose fair value can be measured reliably without undue cost or effort on an on-going basis are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st September 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Disclosure Exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Dawnside Holdings Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No cash flow statement has been presented for the company.(b) No disclosure has been given for the aggregate remuneration of key management personnel.

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

3. Accounting Policies *(continued)*

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Revenue Recognition

Turnover represents rental income receivable in the year.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The main estimate in the accounts is the Investment Property value. The directors consider this to be a true reflection of its current fair value including furniture and fittings.

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

3. Accounting Policies *(continued)*

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 when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where: - the group is able to control the reversal of the timing difference; and - it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income)

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if: - the group has a legally enforceable right to set off current tax assets against current tax liabilities, and - the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Tangible Assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment are not depreciated as the nursing home is rented out under a tenants full repairing lease.

Although this accounting policy is in accordance with the FRS 102, it is a departure from the general requirements of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

3. Accounting Policies *(continued)*

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	- 15% reducing balance
Motor Vehicles	- 25% straight line

Investments

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

Listed investments are measured at fair value with changes in fair value being recognised in profit or 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. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

4. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	<u>552,599</u>	<u>509,671</u>

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

4. Turnover *(continued)*

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2016 £	2015 £
Remuneration	<u>22,235</u>	<u>21,102</u>

6. Average Staff Numbers

The average number of employees during the year was 12 (2015: 10).

7. Income from Shares in Group Undertakings

	2016 £	2015 £
Income from group undertakings	<u>373,013</u>	<u>3,496,126</u>

8. Tax on Profit on Ordinary Activities

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	37,652	1,111
Adjustments in respect of prior periods	<u>–</u>	<u>(284)</u>
Total current tax	<u>37,652</u>	<u>827</u>
Deferred tax:		
Origination and reversal of timing differences	<u>2,139</u>	<u>4,293</u>
Tax on profit on ordinary activities	<u>39,791</u>	<u>5,120</u>

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

8. Tax on Profit on Ordinary Activities *(continued)*

Reconciliation of tax expense

The tax assessed on the profit 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%).

	2016 £	2015 £
Profit on ordinary activities before taxation	407,765	2,978,336
Profit on ordinary activities by rate of tax	81,553	595,667
Adjustment to tax charge in respect of prior periods	–	(284)
Effect of expenses not deductible for tax purposes	35,588	148,830
Effect of capital allowances and depreciation	(2,767)	112
Effect of revenue exempt from tax	(74,603)	(699,225)
Utilisation of tax losses	–	(39,981)
Rounding on tax charge	20	1
Tax on profit on ordinary activities	<u>39,791</u>	<u>5,120</u>

9. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Dividends paid	<u>350,000</u>	<u>5,332,006</u>

In 2015, property was transferred to Dawnside Holdings Limited at a value of £5,332,006 by means of a dividend in specie.

Dawnside Developments Limited

Notes to the Financial Statements (continued)

Year Ended 31st August 2016

10. Tangible Assets

	Investment property £	Long leasehold property £	Short leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost						
At 1 Sep 2015	90,370	64,850	108,872	73,030	7,559	344,681
Additions	—	—	238,114	—	12,195	250,309
Disposals	—	—	—	—	(7,559)	(7,559)
At 31 Aug 2016	<u>90,370</u>	<u>64,850</u>	<u>346,986</u>	<u>73,030</u>	<u>12,195</u>	<u>587,431</u>
Depreciation						
At 1 Sep 2015	—	—	—	30,867	7,155	38,022
Charge for the year	—	—	—	6,325	2,374	8,699
Disposals	—	—	—	—	(7,155)	(7,155)
At 31 Aug 2016	<u>—</u>	<u>—</u>	<u>—</u>	<u>37,192</u>	<u>2,374</u>	<u>39,566</u>
Carrying amount						
At 31 Aug 2016	<u>90,370</u>	<u>64,850</u>	<u>346,986</u>	<u>35,838</u>	<u>9,821</u>	<u>547,865</u>
At 31 Aug 2015	<u>90,370</u>	<u>64,850</u>	<u>108,872</u>	<u>42,163</u>	<u>404</u>	<u>306,659</u>

The directors consider the carrying value of the investment properties to represent their fair value.

Tangible fixed assets with a carrying value of £547,865 (2015 - £306,659) have been pledged as security for the company's bank debt.

Tangible assets held at valuation

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Investment property £
At 31st August 2016	
Aggregate cost	30,370
Aggregate depreciation	—
Carrying value	<u>30,370</u>
At 31st August 2015	
Aggregate cost	30,370
Aggregate depreciation	—
Carrying value	<u>30,370</u>

Dawnside Developments Limited

Notes to the Financial Statements (continued)

Year Ended 31st August 2016

11. Investments

	Other investments other than loans £
Cost	
At 1 Sep 2015 and 31 Aug 2016	580
Impairment	
At 1 Sep 2015 and 31 Aug 2016	-
Carrying amount	
At 31st August 2016	580

The company own 100% of the ordinary share capital of Merithelp Limited a company incorporated in Scotland and operating in the property investment market. Through the holding in Merithelp Limited the company also owns 100% of the ordinary share capital of Banff Care Limited a company incorporated in Scotland that operates a nursing home.

The company also own 50% of the ordinary share capital of Brooklea Developments Limited a company incorporated in Scotland that lets out a nursing home.

Subsidiaries, associates and other investments

	Country of incorporation	Class of share	Percentage of shares held
Subsidiary undertakings			
Merithelp Limited	Scotland	Ordinary	100
Brooklea Developments Limited	Scotland	Ordinary	50

The results and capital and reserves for the year are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2016	2015	2016	2015
	£	£	£	£
Subsidiary undertakings				
Merithelp Limited	(2,579,843)	(1,356,789)	(1,523,154)	(1,303,630)
Brooklea Developments Limited	(2,360,199)	(1,864,139)	(642,087)	(140,953)

12. Debtors

	2016	2015
	£	£
Trade debtors	76,990	67,776
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,149,688	1,275,801
Other debtors	55,051	18,777
	<u>1,281,729</u>	<u>1,362,354</u>

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

13. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	44,601	13,332
Amounts owed to group undertakings	1,055,837	745,085
Accruals and deferred income	19,227	12,570
Corporation tax	37,651	1,111
Social security and other taxes	7,728	19,256
Director loan accounts	62,739	—
Other creditors	288,367	148,678
	<u>1,516,150</u>	<u>940,032</u>

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

	2016	2015
	£	£
Director loan accounts	—	108,339
Other creditors	—	277,612
	<u>—</u>	<u>385,951</u>

15. Provisions

	Deferred tax (note 16) £
At 1st September 2015	47,422
Additions	2,977
Unused amounts reversed	(838)
At 31st August 2016	<u>49,561</u>

16. Deferred Tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 15)	<u>49,561</u>	<u>47,422</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	41,393	38,155
Fair value adjustment of investment property	8,168	9,267
	<u>49,561</u>	<u>47,422</u>

Dawnside Developments Limited

Notes to the Financial Statements (continued)

Year Ended 31st August 2016

17. Called Up Share Capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>250,100</u>	<u>250,100</u>	<u>250,100</u>	<u>250,100</u>

18. Reserves

Share capital account - This reserve represents the nominal value of shares that have been issued.

Profit and loss account - This reserve records retained earnings and accumulated losses. Included within this reserve is a balance of £60,000 which relates to the revaluation of investment property.

19. Post Balance Sheet Event

After the year end the investment property in Dawnside Developments was transferred to the holding company Dawnside Holdings Limited.

20. Contingencies

At 31st August 2016, the company had a contingent liability of £500,000 (2015 - £500,000), representing a cross guarantee in favour of the Clydesdale Bank on behalf of Brooklea Developments Limited.

21. Directors' Advances, Credits and Guarantees

During the year the directors entered into the following advances and credits with the company:

	2016			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
G K Donaldson	(39,338)	133,560	(98,296)	(4,074)
J K Donaldson	(69,001)	11,686	(1,350)	(58,665)
	<u>(108,339)</u>	<u>145,246</u>	<u>(99,646)</u>	<u>(62,739)</u>

	2015			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
G K Donaldson	(81,130)	60,751	(18,958)	(39,337)
J K Donaldson	(39,936)	20,953	(50,019)	(69,002)
	<u>(121,066)</u>	<u>81,704</u>	<u>(68,977)</u>	<u>(108,339)</u>

The loans are interest free and repayable on demand.

Dawnside Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31st August 2016

22. Related Party Transactions

On the 1st September 2014 the company was acquired by Dawnside Holdings Limited in a share for share exchange.

At the balance sheet date the company was due £591,629 (2015 - £591,629) to Steel Fabrications (Currie) Limited. G K Donaldson is a director in Steel Fabrications (Currie) Limited.

At the balance sheet date the company was due £813 (2015 - £59,848) from Alowx Limited, of which Mr J K Donaldson and Mr G K Donaldson are directors.

During the year £157,690 (2015 - £623,852) due from Dawnside Properties Limited was written off as both companies agreed that this amount would not be recoverable. J K Donaldson Jnr and G K Donaldson are directors in Dawnside Properties Limited.

During the year the company received £5,000 (2015 - £5,000) for administration services provided to Dawnside Properties Limited.

Included within other creditors is £254,113 (2015 - £277,612) due to A Donaldson, the son of J K Donaldson. This loan is unsecured, interest free and has no fixed repayment terms.

Details of group related party transactions with companies owned 100% by the group have not been disclosed as per the exemptions under FRS 102 Section 1A.

23. Controlling Party

The ultimate parent company is Dawnside Holdings Limited, a company incorporated in Scotland. The address of its principal place of business is Geddes House, Kirkton Road North, Livingston, West Lothian, EH54 6GU.

The group in which the results of Dawnside Developments Limited are consolidated is that headed by Dawnside Holdings Limited. Copies of these accounts are available to the public via Companies House.

24. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st September 2014.

Dawnside Developments Limited

Notes to the Financial Statements (continued)

Year Ended 31st August 2016

24. Transition to FRS 102 (continued)

Reconciliation of equity

	1st September 2014			31st August 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	5,322,109	–	5,322,109	307,239	–	307,239
Current assets	703,436	–	703,436	1,416,374	–	1,416,374
Creditors: amounts falling due within one year	(2,840,670)	–	(2,840,670)	(940,032)	–	(940,032)
Net current (liabilities)/assets	(2,137,234)	–	(2,137,234)	476,342	–	476,342
Total assets less current liabilities	3,184,875	–	3,184,875	783,581	–	783,581
Creditors: amounts falling due after more than one year	(432,748)	–	(432,748)	(385,951)	–	(385,951)
Provisions	(34,026)	(9,103)	(43,129)	(38,416)	(9,006)	(47,422)
Net assets	<u>2,718,101</u>	<u>(9,103)</u>	<u>2,708,998</u>	<u>359,214</u>	<u>(9,006)</u>	<u>350,208</u>
Capital and reserves	<u>2,718,101</u>	<u>(9,103)</u>	<u>2,708,998</u>	<u>359,214</u>	<u>(9,006)</u>	<u>350,208</u>

Investment property

Under FRS 102 section 1A, changes in the fair value of investment properties are recorded in the profit and loss account. Under previous UK GAAP these changes were recorded in the Statement of Total Recognised Gains and Losses. In compliance with FRS 102 section 1A, the revaluation reserve of £60,000 has been reallocated to the profit and loss reserve. The net effect on reserves is £nil.

Deferred tax

Under FRS 102, deferred tax is recognised on a timing difference plus approach, whereas previous UK GAAP required a timing difference approach. Deferred tax is required to be recognised on all fair value remeasurements and on all fair value adjustments arising on business combinations (other than goodwill). A transitional adjustment of £9,103 was required to recognise the deferred tax liability on revalued assets on transition.