

Company Registration No. SC070383 (Scotland)

Scandinavian Village Limited
Directors' Report and Financial Statements
For The Year Ended 31 December 2010

SCANDINAVIAN VILLAGE LIMITED

COMPANY INFORMATION

Directors	E Monks J McKie M Pollock (Appointed 21 November 2010) T B Moar J D Doyle (Appointed 21 November 2010) J Falconer (Appointed 19 November 2010)
Secretary	E Monks
Company number	SC070383
Registered office	1 Scandinavian Village Aviemore Inverness-shire PH22 1PF
Auditors	Johnston Carmichael Clava House Cradlehall Business Park Inverness IV2 5GH
Business address	Scandinavian Village Aviemore Inverness-shire PH22 1PF
Solicitors	Balfour & Manson 54-66 Frederick Street Edinburgh EH2 1LS

SCANDINAVIAN VILLAGE LIMITED

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SCANDINAVIAN VILLAGE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and financial statements for the year ended 31 December 2010.

Principal activities

The principal activity of the company continued to be that of managing the timeshare owners' residential properties at Scandinavian Village, Aviemore, Inverness-shire.

Directors

The following directors have held office since 1 January 2010:

E Monks	
J McKie	
M Pollock	(Appointed 21 November 2010)
T B Moar	
J D Doyle	(Appointed 21 November 2010)
J Falconer	(Appointed 19 November 2010)

Statement of directors' responsibilities

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 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;
- 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.

SCANDINAVIAN VILLAGE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Statement of disclosure to auditors

The directors confirm that;

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



E Monks

Secretary

18 March 2011

SCANDINAVIAN VILLAGE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SCANDINAVIAN VILLAGE LIMITED

We have audited the financial statements of Scandinavian Village Limited for the year ended 31 December 2010 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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.

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 December 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

SCANDINAVIAN VILLAGE LIMITED


INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SCANDINAVIAN VILLAGE 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; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



Jamie Waugh (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael

21 March 2011

Chartered Accountants
Statutory Auditor

Clava House
Cradlehall Business Park
Inverness
IV2 5GH

SCANDINAVIAN VILLAGE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

		2010	2009
	Notes	£	£
Turnover		714,628	722,980
Administrative expenses		(801,273)	(754,099)
Other operating income		8,730	10,191
Operating loss	2	(77,915)	(20,928)
Investment income	3	11,768	7,216
Other interest receivable and similar income		12,971	11,793
Amounts written off investments	4	9,708	26,223
(Loss)/profit on ordinary activities before taxation		(43,468)	24,304
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/profit for the year	13	(43,468)	24,304

SCANDINAVIAN VILLAGE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	6		8,611		10,763
Investments	7		349,440		335,925
			<u>358,051</u>		<u>346,688</u>
Current assets					
Debtors	8	37,132		45,940	
Cash at bank and in hand		308,443		331,424	
		<u>345,575</u>		<u>377,364</u>	
Creditors: amounts falling due within one year	9	(214,260)		(191,218)	
Net current assets			<u>131,315</u>		<u>186,146</u>
Total assets less current liabilities			<u>489,366</u>		<u>532,834</u>
Creditors: amounts falling due after more than one year	10		(96,730)		(96,730)
			<u>392,636</u>		<u>436,104</u>
Capital and reserves					
Called up share capital	12		1,000		1,000
Profit and loss account	13		391,636		435,104
			<u>392,636</u>		<u>436,104</u>
Shareholders' funds			<u>392,636</u>		<u>436,104</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 18 March 2011



E Monks
Director

Company Registration No. SC070383

SCANDINAVIAN VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

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

Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Motor vehicles	20% reducing balance

Initial purchases of furniture, fixtures and fittings are treated as tangible fixed assets; replacement expenditure is charged to the profit and loss account.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Pensions

The company makes contributions into the personal pension funds of certain employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.6 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Operating loss	2010	2009
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	2,152	2,690
Auditors' remuneration	4,000	3,600
Directors' emoluments	28,960	28,390
	<u> </u>	<u> </u>

SCANDINAVIAN VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

3 Investment income	2010	2009
	£	£
Income from fixed asset investments	11,768	7,216
	<u>11,768</u>	<u>7,216</u>
	<u><u>11,768</u></u>	<u><u>7,216</u></u>
4 Amounts written off investments	2010	2009
	£	£
Amounts written off investments in prior years written back: - fixed assets	(9,708)	(26,223)
	<u>(9,708)</u>	<u>(26,223)</u>
	<u><u>(9,708)</u></u>	<u><u>(26,223)</u></u>
5 Taxation		
On the basis of the results in the current and prior years no provision has been made for corporation tax.		
6 Tangible fixed assets		Plant and machinery etc
		£
Cost		
At 1 January 2010 & at 31 December 2010		34,244
		<u>34,244</u>
Depreciation		
At 1 January 2010		23,481
Charge for the year		2,152
		<u>25,633</u>
At 31 December 2010		25,633
		<u>25,633</u>
Net book value		
At 31 December 2010		8,611
		<u>8,611</u>
At 31 December 2009		10,763
		<u><u>10,763</u></u>

SCANDINAVIAN VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

7 Fixed asset investments

	Listed investments £
Cost	
At 1 January 2010	335,925
Additions	35,068
Revaluation	9,708
Disposals	(31,261)
At 31 December 2010	<u>349,440</u>
Net book value	
At 31 December 2010	<u>349,440</u>
At 31 December 2009	<u>335,925</u>
	Market value £
At 31 December 2010	<u>401,799</u>
At 31 December 2009	<u>412,453</u>

The directors provided for a diminution in value of investments in 2008 for an amount of £84,102 due to market conditions at the time. The directors have considered the current valuation of investments previously provided for and have written back £9,708 of the provision in the year (2009 - £26,223). The value of the remaining provision of shares that can be written back to book cost is £33,994.

8 Debtors	2010 £	2009 £
Trade debtors	211	700
Other debtors	36,921	45,240
	<u>37,132</u>	<u>45,940</u>

SCANDINAVIAN VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

9 Creditors: amounts falling due within one year	2010	2009
	£	£
Trade creditors	82,523	101,965
Taxation and social security	19,369	3,592
Other creditors	112,368	85,661
	<u>214,260</u>	<u>191,218</u>

10 Creditors: amounts falling due after more than one year	2010	2009
	£	£
Other creditors	<u>96,730</u>	<u>96,730</u>

11 Pension costs

During the year the company made contributions of £4,329 (2009: £6,273) into certain of its employees' personal pension funds. At the year end £940 (2009 - £921) remained outstanding.

12 Share capital	2010	2009
	£	£
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2010	435,104
Loss for the year	(43,468)
Balance at 31 December 2010	<u>391,636</u>

SCANDINAVIAN VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

14 Financial commitments

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2011:

	2010	2009
	£	£
Operating leases which expire:		
In over five years	55,000	55,000

The company holds a 99 year lease which is due to expire in 2079.

The lease permits the lessee to build property on the ground being leased for the purpose of the company operating and managing the business of running a timeshare. The timeshare owners own 'the joint right of ownership and the exclusive right of occupancy of the time unit.' The buildings are not owned by Scandinavian Village Limited nor are they owned by the principal entity Scandinavian Village Association.

At the year end, work was being carried out on the walkways and kitchens of the village. The company is due to pay £86,460 in the post year end period for completion of this work.

15 Control

The company's ultimate parent undertaking and controlling party is Scandinavian Village Association which owns 100% of the issued share capital of the company.

16 Related party transactions

Scandinavian Village Association own 100% of the issued share capital of the company.

During the year the company received income totalling £332,071 (2009 - £336,443) from Scandinavian Village Association in respect of levies. This income is included in the company's turnover of £714,628 (2009 - £722,980).

Scandinavian Village Association has provided a loan of £96,730 (2009 - £96,730) to the company. This loan is interest free, has no fixed terms of repayment, and is included in creditors falling due after more than one year.

Scandinavian Village Limited

Management Information

For The Year Ended 31 December 2010

(The following pages are for the use of management only)

SCANDINAVIAN VILLAGE LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

		2010		2009
	£	£	£	£
Turnover				
Sales income		714,628		722,980
Administrative expenses		(772,313)		(725,709)
		<u>(57,685)</u>		<u>(2,729)</u>
Other operating income				
Rent receivable		8,730		10,191
		<u>(48,955)</u>		<u>7,462</u>
Operating (loss)/profit				
Other interest receivable and similar income				
Bank interest - received	7,415		6,611	
Other interest - received	5,556		5,182	
	<u>12,971</u>		<u>11,793</u>	
Income from investments				
Dividends received	9,267		8,848	
Profit/(loss) on disposal of listed investments	2,501		(1,632)	
	<u>11,768</u>		<u>7,216</u>	
Amounts written off investments				
Amounts written back on fixed asset investments		9,708		26,223
		<u>(14,508)</u>		<u>52,694</u>
(Loss)/profit before directors' remuneration				
Directors' remuneration				
Directors' remuneration		(28,960)		(28,390)
		<u>(43,468)</u>		<u>24,304</u>
(Loss)/profit before taxation	6.08%	<u>(43,468)</u>	3.36%	<u>24,304</u>

SCANDINAVIAN VILLAGE LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	£	£
Administrative expenses		
Wages and salaries (excl. N.I.)	78,997	74,935
Employer's NI contributions	14,268	13,196
Staff pension costs	4,329	6,273
Staff training	651	1,913
Meeting expenses	7,337	6,319
Ground rent	58,578	25,432
Rates	32,042	35,744
Insurance	11,549	12,461
Light and heat	57,507	61,195
Property maintenance	232,251	209,070
Contract maintenance	6,541	8,592
Inventory replacement	21,984	24,247
Maintenance salaries	50,723	47,591
Cleaning & housekeeping wages	97,206	94,959
Cleaning	14,747	14,388
Waste disposal	9,447	9,171
Printing, postage and stationery	8,509	7,642
Advertising	1,195	3,032
Leisure club fees	28,138	27,318
Computer running costs	1,603	-
Telephone	7,802	11,989
Transport costs	-	1,376
Legal and professional fees	7,403	745
Investment management fees	339	2,149
Audit fees	4,000	3,600
Bank charges	6,281	6,167
Bad and doubtful debts	978	5,444
Sundry expenses	5,756	8,071
Depreciation on fixed assets	2,152	2,690
	<hr/>	<hr/>
	772,313	725,709
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