Armitscot Developments Limited

Directors' report and financial statements

Registered number SC053538

30 November 2008

THURSDAY

SK0GGA1J

SCT 21/05/2009 1128

COMPANIES HOUSE

Contents

Directors and advisers	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent auditors' report to the members of Armitscot Developments Limited	4
Profit and loss account	5
Balance sheet	6
Notes	7

Directors and advisers

Directors	EM Walker Mrs FM Walker BE Walker FM Young CA Walker
Secretaries	Bell & Scott (Secretarial Services) Limited 16 Hill Street Edinburgh EH2 3LD
Registered office	16 Hill Street Edinburgh EH2 3LD
Auditors	KPMG LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EG
Bankers	Bank of Scotland Head Office The Mound Edinburgh EH1 1YZ

Directors' report

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 30 November 2008.

Principal activities

The principal activities of the company are the construction and sale of private houses, both on its own account and on a contract basis.

Business review

The results for the year are set out in the attached financial statements. The directors recommend that no dividends be paid *(2007: £Nil)*.

The retained profit for the year is £35,161 *(2007: £44,983)*.

Directors

The directors who were in office throughout the period are noted on page 1.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

Bell & Scott (Secretarial Services) Limited
Secretaries

Edinburgh
15 May 2009

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a 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 estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records that 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditors' report to the members of Armitscot Developments Limited

We have audited the financial statements of Armitscot Developments Limited for the year ended 30 November 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the Directors' Reports and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 November 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

3 May 2009

Profit and loss account

for the year ended 30 November 2008

	Notes	2008 £	2007 £
Turnover		**55,059**	82,600
Cost of sales		**(8,750)**	(16,648)
Gross profit		**46,309**	65,952
Administrative expenses		**(13,558)**	(20,960)
Other operating income		**6,556**	6,350
Operating profit	*2*	**39,307**	51,342
Interest receivable and similar income	*4*	**5,534**	4,234
Interest payable	*5*	**(52)**	(42)
Profit on ordinary activities before taxation		**44,789**	55,534
Tax on profit on ordinary activities	*6*	**(9,628)**	(10,551)
Profit for the financial year	*13*	**35,161**	44,983

There were no recognised gains or losses other than the profit for the current and preceding year.

Balance sheet
at 30 November 2008

	Notes	2008 £	2007 £
Fixed assets			
Investment property	7	**92,973**	92,973
Shared equities		**103,221**	103,221
Investments	8	**6,000**	6,000
		202,194	202,194
Current assets			
Stocks	9	**636,959**	637,563
Debtors	10	**2,263**	980
Cash at bank		**106,773**	75,423
		745,995	713,966
Creditors: amounts falling due within one year	11	**(13,888)**	(17,020)
Net current assets		**732,107**	696,946
Net assets		**934,301**	899,140
Capital and reserves			
Called up share capital	12	**1,600**	1,600
Profit and loss account	13	**932,701**	897,540
Shareholders' funds	14	**934,301**	899,140

These financial statements were approved by the board of directors on 15 May 2009 and were signed on its behalf by:

EM Walker
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties. Compliance with Statement of Standard Accounting Practice (SSAP) 19 "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation of the departure is given in the investment properties accounting policy note below.

Cash flow statement

The company is exempt from the requirement to present a cash flow statement under Financial Reporting Standard 1, on the grounds that it qualifies as a small company.

Stocks

Development work in progress is valued at lower of cost plus attributable direct overheads and net realisable value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Investment properties

In accordance with SSAP 19, investment properties are not depreciated or amortised but revalued every five years and the aggregate surplus or deficit is transferred to a revaluation reserve. This treatment, as regards certain of the company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Investments

Fixed asset investments, which comprise shared equities in land and buildings and unquoted shares, are stated at the lower of cost and net realisable value.

Notes *(continued)*

1 Accounting policies *(continued)*

Turnover

Turnover represents invoiced sales net of VAT arising from the construction and sale of private houses.

2 Operating profit

Operating profit is stated after charging:

		2008 £	2007 £
Auditors' remuneration	- audit of these financial statements	**2,000**	3,120
	- non-audit services	**9,532**	15,130

3 Remuneration of directors

The directors are the only employees of the company. There are no director's emoluments.

4 Interest receivable and similar income

	2008 £	2007 £
Income from short term deposits	**5,004**	4,234
Other interest	**530**	-
	5,534	4,234

5 Interest payable and similar charges

	2008 £	2007 £
Overdraft interest and similar charges	**52**	42

6 Tax on profit on ordinary activities

	2008 £	2007 £
UK corporation tax at 20.67% *(2007 : 19%)* on the profit for the year	**9,256**	10,551
Underprovision of taxation in prior years	**372**	-
	9,628	10,551

Notes *(continued)*

6 Tax on profit on ordinary activities *(continued)*

Factors affecting the tax charge for the current year

The current tax charge for the year is lower *(2007: lower than)* than the standard small companies rate of corporation tax in the UK 20.67%, *(2007: 20%)*. The differences are explained below.

	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	**44,789**	55,534
Current tax at 20.67% *(2007: 19%)*	**9,256**	10,551
Effects of:		
Adjustment in respect of prior year	**372**	-
Total current tax charge (see above)	**9,628**	10,551

7 Investment properties

	£
At beginning and end of year	**92,973**

Investment properties at cost amounted to £92,973 *(2007: £92,973)*. The investment properties were valued by the directors at 30 November 2008.

8 Investments

	Other unlisted investments £
Cost	
At beginning and end of year	**6,000**

9 Stocks

	2008 £	2007 £
Work in progress	**636,959**	637,563

Notes *(continued)*

10 Debtors

	2008 £	2007 £
Other debtors	**2,000**	734
Prepayments and accrued income	**263**	246
	2,263	980

11 Creditors: amounts falling due within one year

	2008 £	2007 £
Corporation tax	**9,256**	10,551
Accruals and deferred income	**4,632**	6,469
	13,888	17,020

12 Share capital

	2008 £	2007 £
Authorised		
100,000 ordinary shares of £1 each	**100,000**	100,000
Allotted, called up and fully paid		
1,600 ordinary shares of £1 each	**1,600**	1,600

13 Profit and loss account

	2008 £	2007 £
At beginning of year	**897,540**	852,557
Profit for the year	**35,161**	44,983
At end of year	**932,701**	897,540

Notes *(continued)*

14 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	**35,161**	44,983
Shareholders' funds at start of year	**899,140**	854,157
Shareholders' funds at end of year	**934,301**	899,140