Armitscot Developments Limited

Directors' report and financial statements

Registered number SC053538

30 November 2011



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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 300 Lawnmarket Edinburgh EH1 2PH

Directors' report

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 30 November 2011.

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 *(2010: £175,000)*

The retained profit for the year is £43,724 *(2010: £30,401)*.

Directors
The directors who were in office throughout the period and to the date of this report 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

Pete [illegible], Director

Bell & Scott (Secretarial Services) Limited
Secretaries

16 Hill Street
Edinburgh
EH2 3LD
10 April 2012

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).

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 judgments and 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 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 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 auditor's report to the members of Armitscot Developments Limited

We have audited the financial statements of Armitscot Developments Limited for the year ended 30 November 2011 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

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 30 November 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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.

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.

Hugh Harvie (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

17 April 2012

Profit and loss account

for the year ended 30 November 2011

	Notes	**2011** £	2010 £
Turnover		**96,350**	57,250
Cost of sales		**(33,000)**	(11,302)
Gross profit		**63,350**	45,948
Administrative expenses		**(14,951)**	(14,005)
Other operating income		**6,350**	6,350
Operating profit	*2*	**54,749**	38,293
Interest receivable and similar income	*4*	**160**	256
Interest payable	*5*	**(26)**	(67)
Profit on ordinary activities before taxation		**54,883**	38,482
Tax on profit on ordinary activities	*6*	**(11,159)**	(8,081)
Profit for the financial year	*14*	**43,724**	30,401

Other than the result for the current and preceding year, there have been no other recognised gains or losses.

All activities are derived from continuing operations.

Balance sheet
at 30 November 2011

	Notes	2011 £	2010 £
Fixed assets			
Investment property	7	**160,000**	160,000
Shared equities	8	**133,221**	133,221
Investments	9	**6,000**	6,000
		299,221	299,221
Current assets			
Stocks	10	**556,569**	588,571
Debtors	11	**1,571**	18,945
Cash at bank		**119,881**	24,550
		678,021	632,066
Creditors: amounts falling due within one year	12	**(15,815)**	(13,584)
Net current assets		**662,206**	618,482
Net assets		**961,427**	917,703
Capital and reserves			
Called up share capital	13	**1,600**	1,600
Profit and loss account	14	**892,800**	849,076
Revaluation reserve	15	**67,027**	67,027
Shareholders' funds	16	**961,427**	917,703

These financial statements were approved by the board of directors on 10 April 2012 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.

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 2006 relating to depreciation and an explanation of the departure is given in the investment properties accounting policy note below.

Going concern

The directors have considered the cash position of the company for the period of at least twelve months from the date of signing these accounts. The company has no external borrowings and the cash flow forecasts show that the company can operate within their available funds for the foreseeable future.

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 cost less provision for permanent impairment.

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:

		2011 £	2010 £
Auditors' remuneration	- audit of these financial statements	**2,100**	2,000
	- non-audit services	**600**	500

3 Remuneration of directors

The directors are the only employees of the company. There are no director's emoluments *(2010: £nil)*.

4 Interest receivable and similar income

	2011 £	2010 £
Income from short term deposits	**158**	253
Other interest	**2**	3
	160	256

5 Interest payable and similar charges

	2011 £	2010 £
Overdraft interest and similar charges	**26**	67

6 Tax on profit on ordinary activities

	2011 £	2010 £
Current tax charge	**11,159**	8,081

The current tax charge for the year is equal to *(2010: equal to)* the standard small companies rate of corporation tax in the UK of 20.33% respectively *(2010: 21%)*.

Notes *(continued)*

7 Investment property

	£
At beginning and end of year	**160,000**

Investment property at cost amounted to £92,973 *(2010: £92,973)*. The investment property was valued by the directors at 30 November 2011.

8 Shared equities

	2011 £	2010 £
At the beginning of the year	**133,221**	103,221
Additions	**-**	30,000
At the end of the year	**133,221**	133,221

9 Investments

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

10 Stocks

	2011 £	2010 £
Work in progress	**555,569**	588,571
Building land	**1,000**	-
	556,569	588,571

11 Debtors

	2011 £	2010 £
Other debtors	**962**	18,566
Prepayments and accrued income	**609**	379
	1,571	18,945

Notes *(continued)*

12 Creditors: amounts falling due within one year

	2011 £	2010 £
Corporation tax	**11,159**	8,081
Other Creditors	**-**	681
Accruals and deferred income	**4,656**	4,822
	15,815	13,584

13 Share capital

	2011 £	2010 £
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

14 Profit and loss account

	2011 £	2010 £
At beginning of year	**849,076**	993,675
Profit for the year	**43,724**	30,401
Dividends	**-**	(175,000)
At end of year	**892,800**	849,076

15 Revaluation reserve

	£
At beginning and end of year	**67,027**

Notes *(continued)*

16 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	**43,724**	30,401
Dividends	**-**	(175,000)
Net increase / (reduction) in shareholders' funds	**43,724**	(144,599)
Shareholders' funds at start of year	**917,703**	1,062,302
Shareholders' funds at end of year	**961,427**	917,703

17 Related party transactions

During the current year the company purchased land for £1,000 from Westerwood Limited, a related party by virtue of common directors.