

ERSKINE ESTATES LIMITED
REPORT OF THE DIRECTOR AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006



Company Registration Number SC 128010

Tenon Limited
Accountants and Business Advisers
160 Dundee Street
Edinburgh
EH11 1DQ

ERSKINE ESTATES LIMITED

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ERSKINE ESTATES LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

DIRECTOR:	G M P Shaw
SECRETARY:	MBM Secretarial Services Limited
REGISTERED OFFICE	107 George Street Edinburgh EH2 3ES
REGISTERED NUMBER:	SC 128010
ACCOUNTANTS.	Tenon Limited 160 Dundee Street Edinburgh EH11 1DQ
BANKERS:	Bank of Scotland 38 St Andrew Square Edinburgh EH2 2YR

ERSKINE ESTATES LIMITED

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

The director presents his report with the financial statements of the company for the year ended 30 September 2006

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of commercial property investment

DIRECTOR

G M P Shaw was the sole director during the year under review

The director holding office at 30 September 2006 did not hold any beneficial interest in the issued share capital of the company at 1 October 2005 or 30 September 2006

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'G M P Shaw', written in a cursive style. The signature is positioned above the printed name 'G M P Shaw Director'.

G M P Shaw Director

Date 5 July 2007

ERSKINE ESTATES LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	Notes	30/9/06 £	30/9/05 £
TURNOVER		63,669	63,102
Administrative expenses		<u>12,940</u>	<u>23,895</u>
OPERATING PROFIT	2	50,729	39,207
Interest receivable and similar income		<u>3,023</u>	<u>5,184</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		53,752	44,391
Tax on profit on ordinary activities	3	<u>10,941</u>	<u>9,059</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>42,811</u>	<u>35,332</u>

The notes form part of these financial statements

ERSKINE ESTATES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	30/9/06 £	30/9/05 £
PROFIT FOR THE FINANCIAL YEAR	42,810	35,332
Revaluation reserve	<u> </u>	<u>602,033</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>42,810</u>	<u>637,365</u>

The notes form part of these financial statements

ERSKINE ESTATES LIMITED

**BALANCE SHEET
30 SEPTEMBER 2006**

	Notes	30/9/06 £	£	30/9/05 £	£
FIXED ASSETS					
Tangible assets	5		670,731		675,000
Investments	6		<u>36,000</u>		<u>36,000</u>
			706,731		711,000
CURRENT ASSETS					
Debtors	7	30,023		32,409	
Cash at bank		<u>257,291</u>		<u>220,042</u>	
		287,314		252,451	
CREDITORS					
Amounts falling due within one year	8	<u>24,085</u>		<u>20,757</u>	
NET CURRENT ASSETS			<u>263,229</u>		<u>231,694</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			969,960		942,694
PROVISIONS FOR LIABILITIES	9		<u>464</u>		<u>464</u>
NET ASSETS			<u>969,496</u>		<u>942,230</u>
CAPITAL AND RESERVES					
Called up share capital	10		38,124		38,124
Share premium	11		142,459		142,459
Revaluation reserve	11		602,033		602,033
Profit and loss account	11		<u>186,880</u>		<u>159,614</u>
SHAREHOLDERS' FUNDS			<u>969,496</u>		<u>942,230</u>

The notes form part of these financial statements

ERSKINE ESTATES LIMITED

BALANCE SHEET - continued
30 SEPTEMBER 2006

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 September 2006

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2006 in accordance with Section 249B(2) of the Companies Act 1985

The director acknowledges his responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the director on 5 July 2007 and were signed by



G M P Shaw Director

ERSKINE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and except as noted below, in accordance with the Financial Reporting Statements for Smaller Entities (effective June 2002)

Turnover

Turnover represents rent receivable from properties held

Investment properties and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Motor vehicles	25% on reducing balance
Office equipment	25% on cost

Properties, which are held for investment purposes, are shown as tangible fixed assets at directors' valuation

In accordance with Statement of Standard Accounting Practice No 19, no depreciation is provided in respect of freehold investment properties with over 20 years to run

This treatment, as regards certain of the company's investment properties, may be a departure from the requirement 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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Investments

Investments are held at cost less any provision diminution in value

Investment properties

In accordance with Statement of Standard Accounting Practice No 19

- i the valuation of investment properties is reviewed annually and the aggregate surplus and deficit is transferred to a revaluation reserve,
- ii no depreciation or amortisation is provided in respect of freehold investment property

This treatment is 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 financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation, however, these amounts cannot be separately quantified

2 OPERATING PROFIT

The operating profit is stated after charging

	30/9/06	30/9/05
	£	£
Depreciation owned assets	<u>4,269</u>	<u>4,269</u>
Director's emoluments	<u> </u>	<u> </u>

ERSKINE ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

3 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30/9/06 £	30/9/05 £
Current tax		
UK corporation tax	10,752	8,870
Prior year adjustment	<u>189</u>	<u>429</u>
Total current tax	10,941	9,299
Deferred tax	<u> </u>	<u>(240)</u>
Tax on profit on ordinary activities	<u>10,941</u>	<u>9,059</u>

4 DIVIDENDS

	30/9/06 £	30/9/05 £
Ordinary shares of £1 each		
Final	<u>15,544</u>	<u> </u>

5 TANGIBLE FIXED ASSETS

	Investment properties £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 October 2005 and 30 September 2006	<u>663,616</u>	<u>14,128</u>	<u>2,947</u>	<u>680,691</u>
DEPRECIATION				
At 1 October 2005		3,532	2,159	5,691
Charge for year	<u> </u>	<u>3,532</u>	<u>737</u>	<u>4,269</u>
At 30 September 2006	<u> </u>	<u>7,064</u>	<u>2,896</u>	<u>9,960</u>
NET BOOK VALUE				
At 30 September 2006	<u>663,616</u>	<u>7,064</u>	<u>51</u>	<u>670,731</u>
At 30 September 2005	<u>663,616</u>	<u>10,596</u>	<u>788</u>	<u>675,000</u>

Investment properties were revalued by the directors at 30 September 2005 on the basis of open market value. In the opinion of the director, there was no material change in value during the year to 30 September 2006.

ERSKINE ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

6 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2005 and 30 September 2006	<u>36,000</u>
NET BOOK VALUE	
At 30 September 2006	<u>36,000</u>
At 30 September 2005	<u>36,000</u>

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/9/06 £	30/9/05 £
Trade debtors	6,165	7,021
Other debtors		2,500
Amounts due from related party	<u>23,858</u>	<u>22,888</u>
	<u>30,023</u>	<u>32,409</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/9/06 £	30/9/05 £
Tax	10,752	8,870
Social security and other taxes	2,625	1,362
Accruals and deferred income	<u>10,708</u>	<u>10,525</u>
	<u>24,085</u>	<u>20,757</u>

9 PROVISIONS FOR LIABILITIES

	30/9/06 £	30/9/05 £
Deferred taxation	<u>464</u>	<u>464</u>
		Deferred tax £
Balance at 1 October 2005		<u>464</u>
Balance at 30 September 2006		<u>464</u>

ERSKINE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued FOR THE YEAR ENDED 30 SEPTEMBER 2006

10 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value £1	30/9/06 £	30/9/05 £
38,124	Ordinary		<u>38,124</u>	<u>38,124</u>

Allotted and issued Number	Class	Nominal value £1	30/9/06 £	30/9/05 £
38,124	Ordinary		<u>38,124</u>	<u>38,124</u>

11 RESERVES

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1 October 2005	159,614	142,459	602,033	904,106
Profit for the year	42,810			42,810
Dividends	<u>(15,544)</u>			<u>(15,544)</u>
At 30 September 2006	<u>186,880</u>	<u>142,459</u>	<u>602,033</u>	<u>931,372</u>

12 RELATED PARTY DISCLOSURES

G M P Shaw is also a director of Erskine Properties Limited. At 30 September 2006 Erskine Properties Limited owed £23,858 (2005 £22,888) to Erskine Estates Limited. The movement in the year relates to cash advances from the company to Erskine Properties Limited.

Included within trade debtors (note 7) is £nil (2005 £2,500) due by S Shaw, a member of the director's close family.

13 ULTIMATE CONTROLLING PARTY

Erskine Properties Limited is holder of 100% of the share capital and is the ultimate parent company. The ultimate controlling party is K E Shaw, by virtue of her controlling interest in Erskine Properties Limited.

**ACCOUNTANTS' REPORT TO THE DIRECTOR
ON THE UNAUDITED FINANCIAL STATEMENTS OF
ERSKINE ESTATES LIMITED**

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 1985, we have prepared the financial statements of the company for the year ended 30 September 2006 on pages three to ten from the accounting records and information and explanations supplied to us

This report is made to the company's director, as a body, in accordance with the terms of our engagement. Our work has been undertaken to enable us to prepare the financial statements on behalf of the company's director 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 director, as a body, for our work or for this report.

We have carried out this engagement in accordance with best practice guidance issued by the Institute of Chartered Accountants of England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of financial statements.

You have acknowledged on the Balance Sheet as at 30 September 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Tenon Limited
Tenon Limited
160 Dundee Street
Edinburgh
EH11 1DQ

Date 5 July 2007

ERSKINE ESTATES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	30/9/06		30/9/05	
	£	£	£	£
Turnover				
Rents receivable		63,669		63,102
Other income				
Deposit account interest		<u>3,023</u>		<u>5,184</u>
		66,692		68,286
Expenditure				
Insurance	1,782		4,264	
Management fees			7,000	
Telephone	1,230		559	
Motor expenses	805		717	
Office costs	555		306	
Repairs and renewals	151		119	
Accountancy	2,820		4,355	
Legal & professional fees	1,292		2,266	
Bank charges	<u>37</u>		<u>40</u>	
		<u>8,672</u>		<u>19,626</u>
		58,020		48,660
Depreciation				
Fixtures and fittings	737		737	
Motor vehicles	<u>3,532</u>		<u>3,532</u>	
		<u>4,269</u>		<u>4,269</u>
NET PROFIT		<u>53,751</u>		<u>44,391</u>