

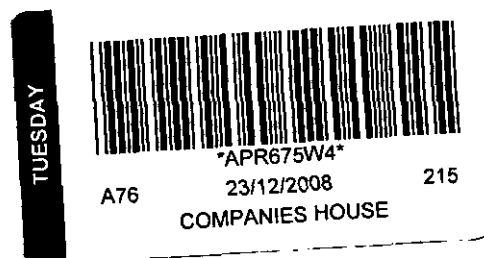
Registered number: SC197898

LORNE PROPERTIES LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2008



LORNE PROPERTIES LIMITED

COMPANY INFORMATION

Directors	Sir Tom Farmer (appointed 30 June 2008) J R M MacQueen S T D Brown
Secretary	Anderson Strathern
Company number	SC197898
Registered office	1 Rutland Court Edinburgh Midlothian EH3 8EY
Accountants	PKF (UK) LLP Cedar House 105 Carrow Road Norwich NR1 1HP

LORNE PROPERTIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 5 APRIL 2008**

The directors present their report and the financial statements for the year ended 5 April 2008.

Principal activities

The company's principal activity is that of acting as a bare trustee for the beneficiaries of the Sir Thomas Farmer 1999 Discretionary Trust.

Directors

The directors who served during the year were:

J R M MacQueen

S T D Brown

A Pringle (resigned 30 June 2008)

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

This report was approved by the board on

17/4/2008

and signed on its behalf.


Sir Tom Farmer
Director

LORNE PROPERTIES LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF LORNE PROPERTIES LIMITED**

In accordance with the engagement letter dated 27 August 2008 and in order to assist you to fulfil your duties under the Companies Act 1985 we have compiled the financial statements of the company for the year ended 5 April 2008, which comprise the profit and loss account, the balance sheet and the related notes, from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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's board of directors, as a body, for our work or for this report.

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

You have acknowledged on the balance sheet 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.



PKF (UK) LLP

Norwich, UK

LORNE PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2008**

	Note	2008 £	2007 £
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
		<hr/>	<hr/>

The notes on page 5 form part of these financial statements.

LORNE PROPERTIES LIMITED

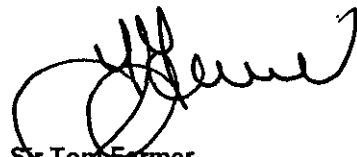
**BALANCE SHEET
AS AT 5 APRIL 2008**

	Note	£	2008 £	£	As restated 2007 £
CURRENT ASSETS					
Debtors	2		2		2
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2</u>		<u>2</u>
CAPITAL AND RESERVES					
Called up share capital	3		2		2
SHAREHOLDERS' FUNDS			<u>2</u>		<u>2</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 5 April 2008 and of its profit or loss for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



Sir Tom Farmer
Director

17/12/2008

The notes on pages 5 form part of these financial statements.

LORNE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The company has legal ownership of the properties held within in the Sir Thomas Farmer 1999 Discretionary Trust together with borrowings related to its purchase. However, under the terms of a trust deed dated 28 January 2005, beneficial ownership resides with the beneficiaries named in the deed. Because of this, transactions relating to the property together with the associated borrowings are dealt with in the financial statements of the beneficiaries and not the financial statements of this company.

2. DEBTORS

	2008 £	As restated 2007 £
Other debtors	<u>2</u>	<u>2</u>

3. SHARE CAPITAL

	2008 £	2007 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

4. PRIOR YEAR ADJUSTMENT

The company acts as the bare trustee for the beneficiaries of the Sir Thomas Farmer 1999 Discretionary Trust. The assets and liabilities held for the trust have, in prior years, been reflected in the accounts of the company. However, following a review of this policy it is considered that it is more appropriate for the assets and liabilities held for the trust not to be reflected in the accounts of the company. It is therefore appropriate to restate the comparatives in the current year.

Accordingly, the 2007 figures have been restated to reflect the reduction in investment properties of £18,936,595 to £NIL, the bank balance of £292,969 to £NIL and to reduce the loans of £19,229,562 to £NIL.

5. CONTROLLING PARTY

The company is controlled by the Sir Thomas Farmer 1999 Discretionary Trust.

The Sir Thomas Farmer 1999 Discretionary Trust is ultimately controlled by Sir Thomas Farmer CBE KCSG.