Registration number SC065978

Lovat Hotels Limited

Abbreviated accounts

for the period ended 1 October 2012



Lovat Hotels Limited

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Lovat Hotels Limited

Chartered Accountants' report to the Board of Directors on the unaudited accounts of Lovat Hotels Limited

In accordance with the engagement letter, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise 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 in accordance with the terms of our engagement. Our work has been undertaken to enable us to prepare the accounts on behalf of the company's board of directors 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 board of directors, 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 Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of accounts.

You have acknowledged on the balance sheet for the period ended 1 October 2012 your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the accounts. 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 accounts.

Frame Kennedy
Chartered Accountants
Metropolitan House
31-33 High Street
Inverness
IV1 1HT
20 June 2013

Lovat Hotels Limited

Abbreviated balance sheet
as at 1 October 2012

	Notes	01/10/12 £	01/10/12 £	30/09/11 £	30/09/11 £
Fixed assets					
Tangible assets	**2**		2,959,821		2,979,201
Current assets					
Debtors		139,658		3,783,856	
Cash at bank and in hand		91,979		90,408	
		231,637		3,874,264	
Creditors: amounts falling due within one year		(37,726)		(706,897)	
Net current assets			193,911		3,167,367
Total assets less current liabilities			3,153,732		6,146,568
Provisions for liabilities			(18,103)		(22,553)
Net assets			3,135,629		6,124,015
Capital and reserves					
Called up share capital	**3**		50,000		50,000
Revaluation reserve			1,913,466		1,913,466
Profit and loss account			1,172,163		4,160,549
Shareholders' funds			3,135,629		6,124,015

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 4 to 6 form an integral part of these financial statements.

Abbreviated balance sheet (continued)

Directors' statements required by Sections 475(2) and (3) for the period ended 1 October 2012

In approving these abbreviated accounts as directors of the company we hereby confirm:

(a) that for the period stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the period ended 1 October 2012 ; and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 386 ; and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the period then ended in accordance with the requirements of Section 393 and which otherwise comply with the provisions of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies .

The abbreviated accounts were approved by the Board on 20 June 2013 and signed on its behalf by

D J Cameron
Director

Registration number SC065978

The notes on pages 4 to 6 form an integral part of these financial statements.

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Nil
Plant and machinery	-	15% reducing balance

1.4. Investment Property

Land and buildings are held for investment purposes and are restated annually at open market value, with any movement during the year being transferred to investment property reserve. No depreciation or amortisation is provided in respect of freehold investment properties. The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise be shown cannot be separately identified or quantified.

1.5. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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1.6. Going concern

The directors have considered the ability of the group and its related parties, as a whole, to continue as a going concern. In September 2012 the group undertook a substantial restructuring as detailed in note 12 to these financial statements. At that time the company was not able to secure a long term bank facility, however the existing lenders have indicated that they remain supportive whilst the directors aim to realise an agreed sales value for the properties held. The directors, Upland Developments Limited and James Keiller Holdings Limited have committed to support the group and will not withdraw their loans to the group in the forseeable future. The directors have considered these factors, together with the group's cash flows for the next twelve months, and have concluded that the group and its related parties can continue as a going concern.

2. Fixed assets

	Tangible fixed assets £
Cost/revaluation	
At 1 October 2011	3,219,859
At 1 October 2012	3,219,859
Depreciation	
At 1 October 2011	240,658
Charge for period	19,380
At 1 October 2012	260,038
Net book values	
At 1 October 2012	2,959,821
At 30 September 2011	2,979,201

3. Share capital

	01/10/12 £	30/09/11 £
Allotted, called up and fully paid		
500,000 Ordinary shares of £0.10 each	50,000	50,000

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4. Ultimate parent undertaking

The ultimate parent company is Camlin Investments Limited, a company incorporated in Scotland.