

SUNLAWS DEVELOPMENT COMPANY LIMITED

Company Number SC121007

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**



SUNLAWS DEVELOPMENT COMPANY LIMITED
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SUNLAWS DEVELOPMENT COMPANY LIMITED
REPORT OF THE DIRECTORS

The Directors submit their report and financial statements of the company for the year to 31st March 2002.

RESULT AND DIVIDENDS

The accounts show a loss of £9,535 which, when added to the figure brought forward, gives a loss of £88,009 to be carried forward.

The Directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

A full year's rent was received from the Roxburghe Hotel and Golf Course and four repayment instalments were made to Scottish Borders Enterprise.

Plans for the development of the housing land at Sunlaws are progressing. During the year the directors took the decision to commence development. The housing land has been transferred at cost from fixed assets to stock. After the year end a joint venture agreement was signed with Charles Church Homes Ltd.

DIRECTORS

The Directors who held office during the year were - His Grace the Duke of Roxburghe, Mr R. E. Jackson FRICS and Mr A.W.M. Christie-Miller.

None of the Directors had any beneficial interest in the shares of the company at 31st March 2002 (2001 Nil).

In terms of the Articles of Association the Duke of Roxburghe, Mr R.E. Jackson and Mr A.W.M. Christie-Miller retire but are eligible for re-election.

**SUNLAWS DEVELOPMENT COMPANY LIMITED
REPORT OF THE DIRECTORS
STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company Law requires the Directors to prepare Financial Statements for each financial year which gives 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 those Financial Statements the Directors are required to:

- a. Select suitable accounting policies and then apply them consistently
- b. Make judgements and estimates that are reasonable and prudent
- c. Comply with applicable accounting standards subject to any material departures disclosed and explained in the Financial Statements
- d. Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

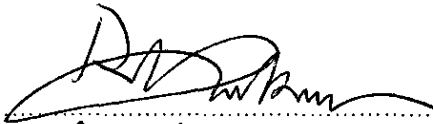
The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY EXEMPTIONS

These Financial Statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

**R E JACKSON
SECRETARY**

Date 
9th January 2007

SUNLAWS DEVELOPMENT COMPANY LIMITED

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF SUNLAWS DEVELOPMENT COMPANY LIMITED**

We have audited the financial statements of Sunlaws Development Company Limited on pages 4 to 8. These financial statements have been prepared in accordance with the Financial Reporting Standard of Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Audited Standards 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 judgements made by the director 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 of the state of the company's affairs as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


14 January 2003

Chartered Accountants
Registered Auditors

40 Melville Street
Edinburgh
EH3 7TW

SUNLAWS DEVELOPMENT COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
Rents Receivable		£87,673	£87,210
Other Income		-	600
Operating Expenses		(97,208)	(80,240)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1	(9,535)	7,570
Taxation	2	-	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		£(9,535)	£7,570

The notes on pages 7 & 8 form part of these financial statements

SUNLAWS DEVELOPMENT COMPANY LIMITED
BALANCE SHEET
AT 31 MARCH 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		£	£
FIXED ASSETS	3	1,449,435	1,919,332
CURRENT ASSETS			
Stock	4	469,897	-
Debtors		<u>733</u>	<u>510</u>
		470,630	510
CREDITORS			
Amounts falling due within one year:			
Creditors	5	(1,503,072)	(1,473,314)
Net current liabilities		(1,032,442)	(1,472,804)
CREDITORS			
Amounts falling due after one year:			
Loans	6	(505,000)	(525,000)
		<u>(88,007)</u>	<u>(78,472)</u>
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Profit and loss account	8	(88,009)	(78,474)
Equity shareholders' funds		<u>(88,007)</u>	<u>(78,472)</u>

For the year ended 31 March 2002 the Directors have:

- Confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985.
- Acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- Acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the Company and of its profit for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to financial statements so far as applicable to this 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 March 2000).

Approved by the Board:

His Grace the Duke of Roxburghe

R E Jackson

Date

The notes on pages 7 & 8 form part of these financial statements

SUNLAWS DEVELOPMENT COMPANY LIMITED
ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for smaller entities (effective March 2000).

CASH FLOW STATEMENTS

The company has taken advantage of the exemption offered in FRS 1 and has not prepared a cash flow statement as it qualifies as a small company under the Companies Act 1985.

DEPRECIATION

Depreciation is calculated to write off the cost less residual value of fixed assets over their estimated useful lives.

No depreciation is charged on heritable property.

The property assets are stated at valuation. These assets are maintained to a high standard. In the opinion of the directors any depreciation of these assets would be immaterial and therefore no depreciation is charged. The carrying value of the property assets is regularly reviewed and any impairments arising would be recognised.

RENTS RECEIVABLE

Rents receivable represents amounts invoiced to tenants net of Value Added Tax.

SUNLAWS DEVELOPMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

	<u>2002</u>	<u>2001</u>
1. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	£	£
<i>This is stated after charging:</i>		
Auditors remuneration	<u>500</u>	<u>500</u>

One of the Directors received £11,788 (2001 £10,795)
None of the other Directors received any remuneration in the year (2001 £nil).

2. **TAXATION**
The company has approximately £54,504 of Corporation Tax losses to carry forward.

3. **FIXED ASSETS**

	<u>Land</u>	<u>Golf Course</u>	<u>Housing</u>	<u>Total</u>
	£	£	£	£
Cost at 1st April 2001	626,316	1,280,342	12,674	1,919,332
Transfer to stock	<u>(457,223)</u>	<u>-</u>	<u>(12,674)</u>	<u>(469,897)</u>
Cost at 31st March 2002	<u>169,093</u>	<u>1,280,342</u>	<u>-</u>	<u>1,449,435</u>

4. **CURRENT ASSETS**
- | | | | | |
|--------------------------------------|----------------|----------|---------------|----------------|
| Stock - transfer from fixed assets | <u>457,223</u> | <u>-</u> | <u>12,674</u> | <u>469,897</u> |
| Stock at 31 st March 2002 | <u>457,223</u> | <u>-</u> | <u>12,674</u> | <u>469,897</u> |

5. **CREDITORS**
- | | <u>2002</u> | <u>2001</u> |
|---|------------------|------------------|
| Amounts falling due within one year: | £ | £ |
| Bank overdraft | 58,028 | 51,050 |
| Other Creditors | 7,828 | 5,048 |
| Debenture loan | 1,397,216 | 1,397,216 |
| Scottish Borders Enterprise - loan repayment due in next year | 20,000 | 20,000 |
| Loan from Roxburghe Funds | <u>20,000</u> | <u>-</u> |
| | <u>1,503,072</u> | <u>1,473,314</u> |

The debenture is interest free, repayable on demand and is secured by way of a floating charge over the assets of the company.

6. **CREDITORS**
- | | <u>2002</u> | <u>2001</u> |
|---|----------------|----------------|
| Amounts falling due after one year: | £ | £ |
| Business Term Loans from Royal Bank of Scotland | 400,000 | 400,000 |
| Loan from Scottish Borders Enterprise | <u>105,000</u> | <u>125,000</u> |
| | <u>505,000</u> | <u>525,000</u> |

The Business Term Loans from The Royal Bank of Scotland are secured by a Standard Security constituting a First Charge over 292.8 acres land at Sunlaws. The Loan from Scottish Borders Enterprise is unsecured but covered by a personal guarantee from one of the Directors.

SUNLAWS DEVELOPMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

	<u>2002</u>	<u>2001</u>
7. SHARE CAPITAL - EQUITY	£	£
Authorised:		
100,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
8. PROFIT AND LOSS ACCOUNT	<u>2002</u>	<u>2001</u>
Deficit brought forward	(78,474)	(86,044)
(Loss)/Profit for the year	<u>(9,535)</u>	<u>7,570</u>
Losses to date carried forward	<u>(88,009)</u>	<u>(78,474)</u>
8. RELATED PARTIES		
The company received rent amounting to £86,000 (2001 £86,000) from The Roxburghe Hotel and Golf Course, a partnership in which His Grace the Duke of Roxburghe is a partner.		
9. CAPITAL COMMITMENT		
At the balance sheet date there were no outstanding commitments for capital expenditure (2001 Nil).		
10. CONTROLLING PARTIES		
In the opinion of the Directors the controlling parties are the Trustees of the Ninth Duke of Roxburghe's Grandchildren's Appointed Fund.		