

Registration number SC282467

D & R Lorne Brown Limited

Directors' report and financial statements

for the year ended 31 March 2007

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D & R Lorne Brown Limited

Company information

Directors	C Highton J Harold K J Hughes
Secretary	Christy Highton
Company number	SC282467
Registered office	The Engine House Ettrick Riverside Dunsdale Road Selkirk TD7 5EB
Accountants	Michael Revels & Co Ladhope Vale House Ladhope Vale Galashiels Selkirkshire TD1 1BT
Bankers	Royal Bank of Scotland plc 12 High Street Selkirk TD5 4DF

D & R Lorne Brown Limited

**Directors' report
for the year ended 31 March 2007**

The directors present their report and the financial statements for the year ended 31 March 2007

Principal activity

The principal activity of the company is that of chartered surveyors

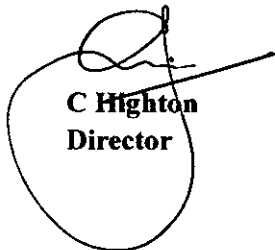
Directors and their interests

The directors who served during the year and their interests in the company are as stated below

	Class of share	31/03/07	01/04/06
C Highton	Ordinary shares	8,500	8,500
J Harold	Ordinary shares	8,500	8,500
K J Hughes	Ordinary shares	8,500	8,500

This report is 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 18 January 2008 and signed on its behalf by


C Highton
Director

D & R Lorne Brown Limited

**Accountants' report on the unaudited financial statements to the directors of
D & R Lorne Brown Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2007 set out on pages 3 to 11 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



**Michael Revels & Co
Chartered Accountants
Ladhope Vale House
Ladhope Vale
Galashiels
Selkirkshire
TD1 1BT**

Date: 18 January 2008

D & R Lorne Brown Limited

**Profit and loss account
for the year ended 31 March 2007**

		Continuing operations	
		2007	2006
	Notes	£	£
Turnover	2	433,414	480,932
Cost of sales		(10,932)	(1,891)
Gross profit		422,482	479,041
Administrative expenses		(317,882)	(287,456)
Operating profit	3	104,600	191,585
Other interest receivable and similar income		1,260	208
Interest payable and similar charges		(1,228)	(918)
Profit on ordinary activities before taxation		104,632	190,875
Tax on profit on ordinary activities	6	(17,933)	(36,401)
Profit on ordinary activities after taxation		86,699	154,474
Dividends		(93,000)	(80,300)
(Loss)/retained profit for the year		(6,301)	74,174
Retained profit brought forward		74,174	
Retained profit carried forward		67,873	74,174

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 6 to 11 form an integral part of these financial statements.

D & R Lorne Brown Limited

**Balance sheet
as at 31 March 2007**

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		103,646		109,101
Tangible assets	8		82,271		22,167
Investments	9		1,820		1,820
			<u>187,737</u>		<u>133,088</u>
Current assets					
Debtors	10	71,186		94,831	
Cash at bank and in hand		464		43,439	
		<u>71,650</u>		<u>138,270</u>	
Creditors: amounts falling due within one year	11	<u>(158,482)</u>		<u>(150,104)</u>	
Net current liabilities			<u>(86,832)</u>		<u>(11,834)</u>
Total assets less current liabilities			100,905		121,254
Creditors: amounts falling due after more than one year	12		<u>(3,032)</u>		<u>(17,080)</u>
Net assets			<u>97,873</u>		<u>104,174</u>
Capital and reserves					
Called up share capital	13		30,000		30,000
Profit and loss account			67,873		74,174
Shareholders' funds			<u>97,873</u>		<u>104,174</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 6 to 11 form an integral part of these financial statements.

D & R Lorne Brown Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 March 2007**

In approving these financial statements as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2007 and

(c) that we acknowledge our responsibilities for

(1) ensuring that the company keeps accounting records which comply with Section 221, 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 year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements are 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 2005)

The financial statements were approved by the Board on 18 January 2008 and signed on its behalf by



**C Highton
Director**

The notes on pages 6 to 11 form an integral part of these financial statements.

D & R Lorne Brown Limited

Notes to the financial statements for the year ended 31 March 2007

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2. Turnover

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

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years

1.4. Tangible fixed assets and depreciation

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

Fixtures, fittings and equipment	20% reducing balance
Motor vehicles	25% reducing balance

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period

1.6. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings

D & R Lorne Brown Limited

Notes to the financial statements for the year ended 31 March 2007

continued

1.8. 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, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

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

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

3. Operating profit

	2007	2006
	£	£
Operating profit is stated after charging.		
Depreciation and other amounts written off intangible assets	5,455	
Depreciation and other amounts written off tangible assets	10,603	5,542
Loss on disposal of tangible fixed assets		8,735
	<u> </u>	<u> </u>

4. Directors' emoluments

	2007	2006
	£	£
Remuneration and other benefits	15,060	14,820
	<u> </u>	<u> </u>

D & R Lorne Brown Limited

**Notes to the financial statements
for the year ended 31 March 2007**

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5. Pension costs

The company operates a defined contribution pension scheme. The pension charge represents contributions due from the company and amounted to £12,094 (2006 £18,039)

Current service cost	12,094	18,039
	<u> </u>	<u> </u>

6. Tax on profit on ordinary activities

Analysis of charge in period	2007	2006
	£	£
Current tax		
UK corporation tax	17,933	36,401
	<u> </u>	<u> </u>

7. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2006	109,101	109,101
At 31 March 2007	<u>109,101</u>	<u>109,101</u>
Provision for diminution in value		
Charge for year	5,455	5,455
At 31 March 2007	<u>5,455</u>	<u>5,455</u>
Net book values		
At 31 March 2007	<u>103,646</u>	<u>103,646</u>
At 31 March 2006	<u>109,101</u>	<u>109,101</u>

D & R Lorne Brown Limited

**Notes to the financial statements
for the year ended 31 March 2007**

continued

8. Tangible fixed assets	Land and buildings freehold	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2006		27,709		27,709
Additions	15,000	43,187	12,520	70,707
At 31 March 2007	15,000	70,896	12,520	98,416
Depreciation				
At 1 April 2006		5,542		5,542
Charge for the year	300	7,955	2,348	10,603
At 31 March 2007	300	13,497	2,348	16,145
Net book values				
At 31 March 2007	14,700	57,399	10,172	82,271
At 31 March 2006		22,167		22,167

Included above are assets held under finance leases or hire purchase contracts as follows

	2007		2006	
Asset description	Net book value	Depreciation charge	Net book value	Depreciation charge
	£	£	£	£
Motor vehicles	10,172	2,348		

9. Fixed asset investments	Other unlisted investments	Total
	£	£
Cost		
At 1 April 2006		
At 31 March 2007	1,820	1,820
Net book values		
At 31 March 2007	1,820	1,820
At 31 March 2006	1,820	1,820

D & R Lorne Brown Limited

**Notes to the financial statements
for the year ended 31 March 2007**

continued

10. Debtors	2007	2006
	£	£
Trade debtors	<u>71,186</u>	<u>94,831</u>
11. Creditors: amounts falling due within one year	2007	2006
	£	£
Bank overdraft	23,103	
Bank loan	12,000	12,000
Net obligations under finance leases and hire purchase contracts	9,687	
Trade creditors	9,823	6,498
Corporation tax	16,783	36,401
Other taxes and social security costs	18,024	29,913
Directors' accounts	38,944	38,944
Other creditors	50	50
Accruals and deferred income	30,068	26,298
	<u>158,482</u>	<u>150,104</u>
12. Creditors: amounts falling due after more than one year	2007	2006
	£	£
Bank loan	2,833	16,881
Other loans	199	199
	<u>3,032</u>	<u>17,080</u>
13. Share capital	2007	2006
	£	£
Authorised		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>