

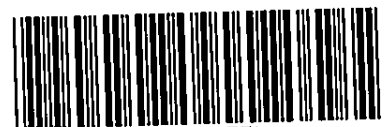
Lothian Fifty (151) Limited

Report and Financial Statements

Year Ended

31 December 2007

THURSDAY



LG4RL4EZ

LD2

30/10/2008

241

COMPANIES HOUSE



BDO Stoy Hayward
Chartered Accountants

Lothian Fifty (151) Limited

**Annual report and financial statements
for the year ended 31 December 2007**

Contents

Page:

1	Report of the directors
3	Report of the independent auditors
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

Directors

B S Anderson
P C Kasch
J C McMahon
G I S Wilson
G C Sellar

Secretary and registered office

K Scott, 11th Floor East, 33 Cavendish Square, London, W1G 0PW

Company number

4513207

Auditors

BDO Stoy Hayward LLP, 55 Baker Street, London, W1U 7EU

Lothian Fifty (151) Limited

Report of the directors for the year ended 31 December 2007

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

Principal activities

The principal activity of the company is the ownership of investment properties

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year

The directors are satisfied with the performance of the company during the year. There have been no events since the balance sheet date which materially affect the position of the company

The directors do not recommend the payment of a final dividend

Directors

The directors of the company who served during the year were

B S Anderson
P C Kasch
J C McMahon
G I S Wilson
G C Sellar

None of the directors have a direct interest in the share capital of the company

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

The directors have prepared financial statements for the year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors have

- selected suitable accounting policies and then applied them consistently,
- made judgements and estimates that are reasonable and prudent, and
- prepared the financial statements on the going concern basis

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

Lothian Fifty (151) Limited

Report of the directors for the year ended 31 December 2007 (*Continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

K Scott



Secretary

Date 27 October 2008

Lothian Fifty (151) Limited

Report of the independent auditors

To the shareholders of Lothian Fifty (151) Limited

We have audited the financial statements of Lothian Fifty (151) Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors 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.

Lothian Fifty (151) Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors
London*

27 October 2008

Lothian Fifty (151) Limited

Profit and loss account for the year ended 31 December 2007

	Note	2007 £	2006 £
Rental income	2	-	(16,330)
Property and administrative expenses		-	53,857
Operating loss		-	(70,187)
Profit on sale of investment property		-	(13,969)
Loss on ordinary activities before interest		-	(84,156)
Other interest receivable and similar income		284	-
Profit/(loss) on ordinary activities before taxation	3	284	(84,156)
Taxation	4	-	33,132
Profit/(loss) on ordinary activities after taxation		284	(51,024)

All amounts relate to continuing activities

All recognised gains and losses in the current year and prior year were through the profit and loss account

There were no movements in shareholders' funds in the current year or prior year other than the profit/(loss) for the year

The notes on pages 7 to 9 form part of these financial statements

Lothian Fifty (151) Limited

Balance sheet
at 31 December 2007

	Note	2007 £	2006 £
Current assets			
Debtors	5	1,418,278	1,398,736
Cash at bank and in hand		15	19,274
		<u> </u>	<u> </u>
Net current assets		1,418,293	1,418,010
		<u> </u>	<u> </u>
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account	7	1,418,292	1,418,009
		<u> </u>	<u> </u>
Shareholders' funds		1,418,293	1,418,010
		<u> </u>	<u> </u>

The financial statements were approved by the Board of Directors and authorised for issue on 27.10.08

P C Kasch
Director



The notes on pages 7 to 9 form part of these financial statements

Lothian Fifty (151) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2007**

1 Accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties, in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Rental income

Rental income is accounted for on an accruals basis.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

2 Rental income

The rental income and loss before taxation are attributable to one activity, the ownership of investment properties. All income is derived from the United Kingdom.

3 Loss on ordinary activities before taxation

Auditors' remuneration is charged to Lothian Fifty (150) Limited and is disclosed in the financial statements of that company.

None of the directors received any emoluments from the company during the year.

Lothian Fifty (151) Limited

Notes forming part of the financial statements
for the year ended 31 December 2007 (Continued)

4 Taxation on loss on ordinary activities

	2007 £	2006 £
<i>Current tax</i>		
Adjustment in respect of previous year	-	(33,132)
UK corporation tax on loss of the year	-	-
	-	(33,132)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK The differences are explained below

	2007 £	2006 £
Profit/(loss) on ordinary activities before tax	284	(84,155)
Profit/(loss) on ordinary activities at the standard rate of corporation tax in the UK of 30%	85	(25,247)
Effects of		
Losses carried forward to future accounting periods	-	25,247
Group relief received	(85)	-
Adjustment in respect of previous year	-	(33,132)
Current tax credit for year	-	(33,132)

5 Debtors

	2007 £	2006 £
Due within one year		
Amounts owed by parent company	1,402,501	1,362,041
Corporation tax	15,777	36,695
	1,418,278	1,398,736

All amounts fall due for payment within one year

Lothian Fifty (151) Limited

Notes forming part of the financial statements
for the year ended 31 December 2007 (*Continued*)

6 Called up share capital

	Authorised		Allotted, called up and fully paid	
	2007 Number	2006 Number	2007 Number	2006 Number
Ordinary shares of £1 each	1	1	1	1

7 Reserves

	Profit and loss account £
At 31 December 2006	1,418,008
Profit for the year	284
At 31 December 2007	1,418,292

8 Ultimate parent company

The ultimate parent company is Lothian Fifty (150) Limited, a company registered in England and Wales

Copies of the consolidated financial statements of Lothian Fifty (150) Limited are available from Companies House

9 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, 'Cash Flow Statements', not to prepare a cash flow statement as the directors believe the group is 'small' under the Companies Act 1985

10 Transactions with related parties

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 'Related Party disclosures' not to disclose transactions with group undertakings on the basis that it is a wholly owned subsidiary of a parent company that publishes consolidated financial statements

11 Loan finance and related inter-creditor arrangements

The company's parent entered into loan agreements with its bankers under which resulting credit facilities of up to £80 million were available. The company's parent has also entered into a debenture over its whole assets and undertaking including its interests in subsidiaries. Such arrangements have been effected so as to include all subsidiary undertakings under an inter-creditor agreement. At the year end the facilities drawn amounted to £7,207,447 (2006 - £21,538,626)

These facilities expired in September 2008 and the company's parent is in the process of securing new facilities (see note 1)