

John Sale Limited

Amended Financial statements

For the year ended 31 October 2009



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COMPANIES HOUSE

Company No. SC163303

Officers and professional advisers

Company registration number	SC163303
Registered office	Weatherhouse Bowhill SELKIRK TD7 5ES
Directors	J C Lamont A F Nisbet N S Wright
Secretary	M J McGrath
Bankers	The Royal Bank of Scotland plc 36 St Andrew Square EDINBURGH EH2 2YB
Solicitors	Anderson Strathern LLP 1 Rutland Court EDINBURGH EH3 8EY
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors 1-4 Atholl Crescent EDINBURGH EH3 8LQ

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 October 2009.

Principal activities

The principal activity of the company during the year was operating as chartered surveyors and estate agents trading as Buccleuch John Sale. On 31 July 2009 the trade and certain assets were sold as a going concern.

Directors

The directors who served the company during the year were as follows:

D C Gwyther
J C Lamont
H L Lukas
A F Nisbet
N S Wright

D C Gwyther retired as a director on 4 March 2009.

H L Lukas retired as a director on 31 July 2009.

Directors' responsibilities

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Report of the directors (continued)

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

ON BEHALF OF THE BOARD



J C Lamont
Director

28.6.10



Report of the independent auditor to the members of John Sale Limited

We have audited the financial statements of John Sale Limited for the year ended 31 October 2009 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the *Financial Reporting Standard for Smaller Entities* (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Report of the independent auditor to the members of John Sale Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



Andrew Howie
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Glasgow

29 June 2010

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 April 2008).

The financial statements have not been prepared on a going concern basis as the company's trade terminated on 31 July 2009. Assets have been recorded at their recoverable value and additional closure costs arising have been included as liabilities.

Turnover

The turnover shown in the profit and loss account represents amounts earned during the year.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Tenants Improvements	-	10 years
Office Equipment	-	5 years
Computer Equipment	-	3 years

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Accounting policies (continued)

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	2009 (Discontinued) £	2008 £
Turnover		675,821	1,051,895
Cost of sales		(430,473)	(789,093)
Gross profit		245,348	262,802
Other operating charges	2	(197,871)	(672,334)
Other operating income		21,540	21,879
Operating profit/(loss)	3	69,017	(387,653)
Interest receivable		276	1,828
Interest payable and similar charges		(12,487)	(16,455)
Profit/(Loss) on ordinary activities before taxation		56,806	(402,280)
Tax credit on ordinary activities		86,907	105,043
Profit/(Loss) for the financial year	13	143,713	(297,237)

Activities have discontinued as the company ceased to trade on the 31 July 2009.

Balance sheet

	Note	2009 £	2008 £
Fixed assets			
Tangible assets	5	-	90,753
Current assets			
Debtors	6	248,112	369,300
Cash at bank and in hand		-	56,035
		<u>248,112</u>	<u>425,335</u>
Creditors: amounts falling due within one year	7	<u>(157,593)</u>	<u>(617,162)</u>
Net current assets/(liabilities)		<u>90,519</u>	<u>(191,827)</u>
Total assets less current liabilities		<u>90,519</u>	<u>(101,074)</u>
Provisions for liabilities	8	<u>(47,880)</u>	<u>-</u>
		<u>42,639</u>	<u>(101,074)</u>
Capital and reserves			
Called-up equity share capital	12	10,000	10,000
Profit and loss account	13	32,639	(111,074)
Shareholders' funds/(deficit)		<u>42,639</u>	<u>(101,074)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors on 28.6.10 and are signed on their behalf by:



J C Lamont
Director

Notes to the financial statements

1 Going concern

The company's trade and assets were sold as a going concern on 31 July 2009 and as such the financial statements have not been prepared on a going concern basis. The company's ability to satisfy remaining liabilities is dependent on the continuing support of The Buccleuch Estates Limited, the ultimate parent undertaking. The directors have received assurances from the ultimate parent undertaking that its support will not be withdrawn in the short term and will continue for at least 12 months from the date of approval of these financial statements.

2 Other operating charges

	2009 (Discontinued) £	2008 £
Administrative expenses	197,871	672,334
	<u>197,871</u>	<u>672,334</u>

3 Operating profit/ (loss)

Operating profit/ (loss) is stated after charging/ (crediting):

	2009 (Discontinued) £	2008 £
Directors' emoluments	108,851	148,791
Parent company loan waived	(346,589)	-
Depreciation of owned fixed assets	17,311	30,090
Loss on disposal of trade and assets	61,325	-
Auditor's fees	3,525	4,200
	<u>3,525</u>	<u>4,200</u>

4 Directors

Several of the directors of the company are employees of the ultimate parent company, The Buccleuch Estates Limited or other group companies, and are also directors of other group companies. Emoluments are paid by The Buccleuch Estates Limited and other group companies and it is not practicable to allocate emoluments between their services as executives of The Buccleuch Estates Limited and their services as directors of this company and other subsidiaries.

In the year four (2008 - four) of the directors were accruing benefits under a defined contribution pension scheme in respect of their services to the group companies.

Notes to the financial statements (continued)

5 Tangible fixed assets

	Tenants Improvements £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 November 2008	35,899	60,483	150,442	246,824
Additions	-	405	380	785
Disposals	(35,899)	(60,888)	(150,822)	(247,609)
At 31 October 2009	-	-	-	-
Depreciation				
At 1 November 2008	8,719	38,167	109,185	156,071
Charge for the year	2,912	3,996	10,403	17,311
On disposals	(11,631)	(42,163)	(119,588)	(173,382)
At 31 October 2009	-	-	-	-
Net book value				
At 31 October 2009	-	-	-	-
At 31 October 2008	27,180	22,316	41,257	90,753

6 Debtors

	2009 £	2008 £
Trade debtors	-	75,664
Amounts owed by group undertakings	87,261	118,985
Other debtors	160,851	174,651
	<u>248,112</u>	<u>369,300</u>

Notes to the financial statements (continued)

7 Creditors: amounts falling due within one year

	2009	2008
	£	£
Bank loans & overdrafts	60	-
Trade creditors	3,913	66,039
Amounts owed to group undertakings	143,758	478,259
Other creditors	9,862	72,864
	<u>157,593</u>	<u>617,162</u>

Interest has been charged at a commercial rate on group loans.

8 Provision for liabilities

	2009	2008
	£	£
Provision	<u>47,880</u>	-

During the year the trade of John Sale Limited was sold however the company is required to maintain professional indemnity insurance cover for a further 7 years and has fully provided for these charges during the year.

9 Commitments under operating leases

At 31 October 2009 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2009	2008
	£	£
Operating leases which expire:		
Within 1 year – 5 years	-	32,274
After more than 5 years	-	49,963
	<u>-</u>	<u>82,237</u>

Notes to the financial statements (continued)

10 Transactions with the directors

All transactions conducted with directors are carried out on an "arm's length" basis. During the period the company operated from premises owned by H Lukas, a director of the company.

H Lukas received the following amounts in this respect:

	2009	2008
	£	£
H Lukas	2,963	3,950

11 Related party transactions

During the year John Sale Limited supplied goods and services to the following group companies:

	2009	2008
	£	£
The Buccleuch Estates Limited	49,732	59,739
FBR Limited	-	4,000
Buccleuch Town and Country Limited	600	13,748

During the year John Sale Limited purchased goods and services from the following group companies:

	2008	2008
	£	£
Buccleuch Ventures Limited	12,488	15,356
Buccleuch Town & Country Limited	-	4,648
FBR Limited	-	42,500
Buccleuch Property Developments Limited	350	-
Tarras Park Properties Limited	21,887	-

At the balance sheet date, the sum of £Nil (2008: £8,399) was due to John Sale Limited from The Buccleuch Estates Limited. The Buccleuch Estates Limited was due £30,212 (2008: £134,059), Buccleuch Ventures Limited was due £29,789 (2008: £20,056), Buccleuch Property Developments Limited was due £877 (2008: £Nil), Tarras Park Properties Limited was due £6,355 (2008: £Nil) and FBR Limited was due £Nil (2008: £5,675) from John Sale Limited. A loan of £76,511 (2009: £317,000) is due from John Sale Limited to Buccleuch Ventures Limited.

Notes to the financial statements (continued)

12 Share capital

Authorised share capital:

	2009 £	2008 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

13 Profit and loss account

	2009 £	2008 £
Balance brought forward as previously reported	(111,074)	186,163
Profit/(Loss) for the financial year	<u>143,713</u>	<u>(297,237)</u>
Balance carried forward	<u>32,639</u>	<u>(111,074)</u>

14 Ultimate parent company

The company's immediate parent undertaking is Buccleuch Ventures Limited, a company registered in Scotland and the ultimate parent undertaking and controlling entity is The Buccleuch Estates Limited, a company registered in Scotland.