

BELL & SCOTT LLP
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2006

Company Registration Number SO300197



Tenon Limited
Accountants and Business Advisors
1 Royal Terrace
Edinburgh
EH7 5AD

BELL & SCOTT LLP
DESIGNATED MEMBERS AND ADVISERS
YEAR ENDED 30 APRIL 2006

Designated members

S E G Guest
R I MacDonald
S J Calder (resigned 2 September 2005)
P K Jennings
B J Malone
C Docherty
P F Reilly
E D Dyce (resigned 2 September 2005)
S M Webster
B W Anderson
M A Kane
H B O'Neill

Business address

16 Hill Street
Edinburgh
EH2 3LD

Accountants

Tenon Limited
Accountants and Business Advisors
1 Royal Terrace
Edinburgh
EH7 5AD

BELL & SCOTT LLP
ABBREVIATED BALANCE SHEET
30 APRIL 2006

| | | 2006 | 2005 |
|---|------|--------------------|--------------------|
| | Note | £ | (restated) £ |
| Fixed assets | 2 | | |
| Tangible assets | | <u>1,396,918</u> | <u>1,319,427</u> |
| Current assets | | | |
| Stocks | | 248,614 | 202,832 |
| Debtors | | 1,659,823 | 1,343,486 |
| Cash at bank and in hand | | 394 | 144 |
| | | <u>1,908,831</u> | <u>1,546,462</u> |
| Creditors Amounts falling due within one year | | <u>(516,582)</u> | <u>(573,348)</u> |
| Net current assets | | <u>1,392,249</u> | <u>973,114</u> |
| Total assets less current liabilities | | <u>2,789,167</u> | <u>2,292,541</u> |
| Creditors Amounts falling due after more than one year | | <u>(640,411)</u> | <u>(703,245)</u> |
| Loans and other debts due to members | 3 | <u>(1,862,992)</u> | <u>(1,357,296)</u> |
| | | <u>285,764</u> | <u>232,000</u> |
| Members' other interests | | | |
| Revaluation reserve | 4 | <u>285,764</u> | <u>232,000</u> |
| Total members' interests | | | |
| Loans and other debts due to members | 3 | <u>1,862,992</u> | <u>1,357,296</u> |
| Members' other interests | 4 | <u>285,764</u> | <u>232,000</u> |
| | | <u>2,148,756</u> | <u>1,589,296</u> |

The Balance sheet continues on the following page

BELL & SCOTT LLP

ABBREVIATED BALANCE SHEET *(continued)*

30 APRIL 2006

The members are satisfied that the LLP is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 for the year ended 30 April 2006

The members acknowledge their responsibilities for

- (i) ensuring that the LLP keeps proper accounting records which comply with section 221 of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the LLP as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 relating to financial statements, so far as applicable to the LLP

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 relating to small LLPs

These abbreviated accounts were approved by the members on 19 September 2006 and are signed on their behalf by


R I MacDonald
Designated Members

BELL & SCOTT LLP
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 APRIL 2006

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards, and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'

Cash flow statement

The members have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the LLP is small

Turnover

Fee income represents amounts derived from the provision of work for clients during the year, excluding value added tax. Fee income is recognised on an ongoing basis in accordance with UITF 40 Application Note G

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

| | |
|-----------------------|--|
| Heritable Property | nil |
| Furniture & Equipment | 25% straight line on computer equipment and 20% reducing balance on all other assets |
| Silvermills car park | nil |

No depreciation is provided on the heritable property as it is the members' belief that the residual value of this is at least equal to the carrying value. Having regard to this it is considered that the depreciation of such property as required by the Companies Act 1985 and standard accounting practice would be not be material

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable

Work in progress

Work in Progress comprises direct staff costs and a share of overhead appropriate to the relevant state of completion of the related project. The relevant proportion of the salaried remuneration of members is included within work in progress. The overhead attributable to all time incurred by members and included within work in progress is included within the valuation

BELL & SCOTT LLP

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 APRIL 2006

1 ACCOUNTING POLICIES *(continued)*

Members' remuneration

Remuneration is paid to certain members under a contract of employment and is included as an expense in the profit and loss account after arriving at "profit for the financial year before members' remuneration and profit shares"

In addition, the LLP agreement provides that fixed amounts, determined for each member each year, be paid to members, irrespective of the profits of the LLP. These amounts are also included within salaried remuneration of the members

A member's share in the profit or the loss for the year is accounted for as an allocation of profits. Unallocated profits and losses are included within "other reserves"

Retirement benefits of former members

The retirement benefits of former members are determined annually based on a formula directly linked to the profits of the partnership. Provision is made at the date of retirement of the member for the estimated present value of the expected future payments to that member. On initial recognition the estimated current value of the future pension is transferred from members' interests to provisions for liabilities and charges. The unwinding of the discount of the provision to retirement benefits is charged to the profit and loss account and included in interest payable.

The liability is reassessed annually and any changes in the estimates are included within the profit and loss account.

Tax provisions

The taxation payable on profits is the personal liability of the members during the year. No retention from profits is made to fund payments of taxation on members' behalf.

2 FIXED ASSETS

| | Tangible Assets £ |
|--------------------------|-------------------------|
| Cost or valuation | |
| At 1 May 2005 | 1,881,135 |
| Additions | 94,399 |
| Disposals | (341,061) |
| Revaluation | 53,764 |
| At 30 April 2006 | <u>1,688,237</u> |
| Depreciation | |
| At 1 May 2005 | 561,708 |
| Charge for year | 70,671 |
| On disposals | (341,060) |
| At 30 April 2006 | <u>291,319</u> |
| Net book value | |
| At 30 April 2006 | <u>1,396,918</u> |
| At 30 April 2005 | <u>1,319,427</u> |

BELL & SCOTT LLP
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 APRIL 2006

2 FIXED ASSETS *(continued)*

The heritable property at 18/20 Hill Street, Edinburgh, was revalued at open market value on 5th July 2004 by Lambert Smith Hampton, Chartered Surveyors, 101 George Street, Edinburgh, at a value of £1,200,000

3 LOANS AND OTHER DEBTS DUE TO MEMBERS

| | 2006 | 2005 |
|---|------------------|------------------|
| | £ | £ |
| Amounts owed to members in respect of profits | 1,003,991 | 1,357,296 |
| Other members' loans | 859,001 | — |
| | <u>1,862,992</u> | <u>1,357,296</u> |

BELL & SCOTT LLP
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 APRIL 2006

4. MEMBERS' INTERESTS

| | Members' Capital £ | Revaluation reserve £ | Other reserves £ | Total £ | Loans and other debts due to members £ | Total £ |
|--|-----------------------|--------------------------|---------------------|-------------|---|-------------|
| Amounts due to members at 1 May 2005 | — | — | — | — | 1,357,296 | — |
| Members' interests at 1 May 2005 | — | 232,000 | — | 232,000 | 1,357,296 | 1,589,296 |
| Remuneration of salaried members including employment and retirement benefit costs | — | — | — | — | 313,500 | 313,500 |
| Profit for the financial year available for division amongst members | — | — | 1,526,339 | 1,526,339 | — | 1,526,339 |
| Members' interests after profit for the year | — | 232,000 | 1,526,339 | 1,758,339 | 1,670,796 | 3,429,135 |
| Allocated profits | — | — | (1,526,339) | (1,526,339) | 1,526,339 | — |
| Surplus on revaluation of fixed assets | — | 53,764 | — | 53,764 | — | 53,764 |
| Introduced by members | — | — | — | — | 409,379 | 409,379 |
| Repayments of debt | — | — | — | — | (182,695) | (182,695) |
| Drawings | — | — | — | — | (1,561,262) | (1,561,262) |
| Amounts due to members | — | — | — | — | 1,862,992 | — |
| Members' interests at 30 April 2006 | — | 285,764 | — | 285,764 | 1,862,992 | 2,148,321 |

5 Ultimate controlling party

The members consider that there is no ultimate controlling party