

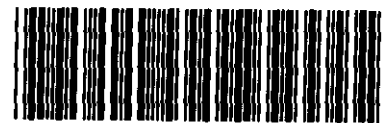
Buccleuch Grant Limited

Financial statements

For the period from 13 May 2005 to 31 March 2006

Grant Thornton 

WEDNESDAY



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SCT 31/01/2007 98
COMPANIES HOUSE

Company No. SC284756

Officers and professional advisers

Company Registration Number	SC284756
Registered Office	14 Coates Crescent Edinburgh Midlothian EH3 7AF
Directors	P C Grant C Grant J C Lamont D H Peck N A G Waugh
Secretary	L M Campbell
Bankers	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB
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 period from 13 May 2005 to 31 March 2006

Principal activities

The company was incorporated on 13 May 2005 as York Place (No 343) Limited and changed its name to Buccleuch Grant Limited on 13 September 2005

The principal activity of the company is managing, in its capacity as general partner, the activities of Buccleuch and Grant Residential Property Partnership

The company has not traded in the year, and there has been no income or expenditure. The directors do not recommend the payment of a dividend.

The directors and their interests in the shares of the company

The directors who served the company during the period were. P C Grant, C Grant, J C Lamont, D H Peck, N A G Waugh and Morton Fraser Directors Limited.

None of the directors have any beneficial interests in the shares of the company, and with the exception of Morton Fraser Directors Limited (who served as a director from 13 May 2005 to 13 September 2005), all directors were appointed on 13 September 2005

Directors' responsibilities

The directors are responsible for preparing the Annual Report 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,
- 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 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.

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 were appointed to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985. Special notice pursuant to section 388(3) having been given, a resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with the Companies Act 1985.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



L M Campbell
Secretary
30 January 2007

Report of the independent auditor to the members of Bucleuch Grant Limited

We have audited the financial statements of Bucleuch Grant Limited for the period from 13 May 2005 to 31 March 2006 on pages 8 to 10. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

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

Basis of 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 judgements 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.

Report of the independent auditor to the members of Buccleuch Grant Limited (continued)

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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2006,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

31.01.07

Principal 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 January 2005)

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the results from ordinary activities

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.

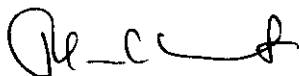
Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Balance sheet

	Note	2006 £
Fixed assets		
Investments	3	100
Current assets		
Debtors	4	100
Creditors: amounts falling due within one year	5	(100)
Net current assets		-
Total assets less current liabilities		100
Capital and reserves		
Called up equity share capital	7	100
Shareholders' funds		100

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the directors on 30 January 2007 and are signed on their behalf by



J C Lamont



P C Grant

Notes to the financial statements

1 Profit and loss account

The company did not trade during the year and has made neither a profit nor a loss. No Profit and Loss Account has therefore been prepared.

2 Particulars of employees

The company has no employees, and neither the directors nor the secretary received any remuneration from the company in the period.

3 Investments

	2006 £
Cost	
Additions	100
At 31 March 2006	<u>100</u>
Net book value	
At 31 March 2006	<u>100</u>

The company has an investment amounting to 50% of the capital contributed to Buccleuch and Grant Residential Property Partnership, a Scottish Limited Partnership.

Buccleuch and Grant Residential Property Partnership made a loss of £49,582 in the period to 31 March 2006 and has net liabilities of £139,950. A copy of the latest accounts of this undertaking has been appended to these Buccleuch Grant Limited 2006 statutory accounts, as sent to the Registrar.

4 Debtors

	2006 £
Called up share capital not paid	<u>100</u>

5 Creditors: amounts falling due within one year

	2006 £
Amounts owed to undertakings in which the company has a participating interest	<u>100</u>

6 Related parties

The only transaction with related parties undertaken and required to be disclosed under Financial Reporting Standard 8, was a transaction with Bucleuch and Grant Residential Property Partnership. Held within creditors at the year end, is an amount of £100 due in relation to the capital contribution from Bucleuch Grant Limited to that partnership.

7 Share capital

Authorised share capital

	2006 £
100 Ordinary shares of £1 each	<u>100</u>

Allotted and called up

	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows

	2006 £
Ordinary shares	<u>100</u>

8 Reconciliation of shareholders' funds and movement on reserves

	Share capital 2006 £	Total shareholders' funds 2006 £
New equity share capital subscribed	<u>100</u>	<u>100</u>
At 31 March 2006	<u>100</u>	<u>100</u>

**Buccleuch and Grant Residential Property
Partnership**

Financial statements

For the period ended 31 March 2006

Grant Thornton 

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31/01/2007
COMPANIES HOUSE

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Company No. SL005554

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Report of the general partner

The general partner presents its report and the financial statements of the partnership for the period ended 31 March 2006

Principal activities

The partnership was registered as a limited partnership on 29 September 2005. The principal activity of the partnership during the period was residential property investment

There was a loss for the period after taxation amounting to £49,582 with no appropriation being made to the limited partner as a result of this loss

Responsibilities of the general partner

The general partner is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law and the Partnerships and Unlimited Companies (Accounts) Regulations 1993 requires the general partner to prepare financial statements for each financial year. The financial statements are required by law to give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the general partner is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business

The general partner is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993. The general partner is also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the general partner is aware,

- there is no relevant audit information of which the partnership auditors are unaware, and
- the general partner has taken all steps that the general partner 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 were appointed to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985. Special notice pursuant to section 388(3) having been given, a resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993.

ON BEHALF OF THE GENERAL PARTNER



J C Lamont, for and on behalf of
Buccleuch Grant Limited, as general
partner of Buccleuch and Grant Residential
Property Partnership

30 January 2007

Report of the independent auditor to the members of Buccleuch and Grant Residential Property Partnership

We have audited the financial statements of Buccleuch and Grant Residential Property Partnership for the period ended 31 March 2006 on pages 9 to 15. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 7 to 8.

This report is made solely to the partnership's members, as a body, in accordance with Section 235 of the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993. Our audit work has been undertaken so that we might state to the partnership'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 partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of general partner and auditor

The general partner's responsibilities for preparing the Report of the general partner and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of general partners' responsibilities.

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 are properly prepared in accordance with the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993. We also report to you whether in our opinion the information given in the Report of the General Partner is consistent with the financial statements.

In addition we report to you if, in our opinion, the partnership 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 general partners' remuneration and other transactions is not disclosed.

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

Basis of 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 judgements made by the general partner in the preparation of the financial statements, and of whether the accounting policies are appropriate to the partnership's circumstances, consistently applied and adequately disclosed.

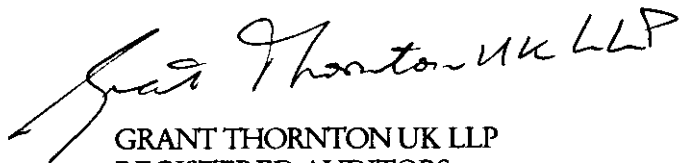
Report of the independent auditor to the members of Bucleuch and Grant Residential Property Partnership (continued)

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 partnership's affairs as at 31 March 2006 and of its loss for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993, and
- the information given in the report of the general partner is consistent with the financial statements.



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

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Principal 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 the Financial Reporting Standard for Smaller Entities (effective January 2005)

Cashflow

The general partner has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the partnership is small

Turnover

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

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

Fixtures & fittings	5 years
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Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the period.

This is in accordance with SSAP 19 which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

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	Period to 31 Mar 2006 £
Turnover		3,945
Cost of sales		580
Gross profit		<u>3,365</u>
Other operating charges	1	35,001
Operating loss	2	<u>(31,636)</u>
Interest receivable and similar income		343
Interest payable and similar charges		(18,289)
Loss on ordinary activities before taxation		<u>(49,582)</u>
Tax on loss on ordinary activities		-
Loss for the financial period		<u><u>(49,582)</u></u>

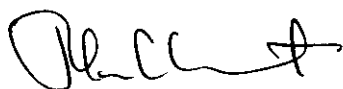
All of the activities of the partnership are classed as continuing

Balance sheet

	Note	2006 £
Fixed assets		
Tangible assets	3	<u>2,785,697</u>
Current assets		
Debtors	4	15,905
Cash at bank		<u>95,983</u>
		111,888
Creditors: amounts falling due within one year	5	<u>(196,760)</u>
Net current liabilities		<u>(84,872)</u>
Total assets less current liabilities		<u>2,700,825</u>
Creditors: amounts falling due after more than one year	6	<u>(2,840,775)</u>
		<u>(139,950)</u>
Capital and revenue accounts		
Capital account	8	200
Revaluation reserve	9	(90,568)
Profit and loss account	9	<u>(49,582)</u>
Deficit		<u>(139,950)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 via the Partnerships and Unlimited Companies (Accounts) Regulations 1993

These financial statements were approved by the general partner on 30 January 2007 and are signed on their behalf by



J C Lamont, for and on behalf of
Bucleuch Grant Limited, as general
partner of Bucleuch and Grant Residential
Property Partnership



PC Grant, for and on behalf of
Bucleuch Grant Limited, as general
partner of Bucleuch and Grant Residential
Property Partnership

Other primary statements

Statement of total recognised gains and losses

	Period to 31 Mar 2006 £
Loss for the financial period	(49,582)
Unrealised loss on revaluation of certain fixed assets	(90,568)
Total gains and losses recognised for the period	<u>(140,150)</u>

Notes to the financial statements

1 Other operating charges

	Period to 31 Mar 2006 £
Administrative expenses	<u>35,001</u>

2 Operating loss

Operating loss is stated after charging

	Period to 31 Mar 2006 £
Audit fee	2,500
Depreciation of owned fixed assets	<u>3,333</u>

3 Tangible fixed assets

	Investment property £	Fixtures & fittings £	Total £
Cost or valuation			
Additions	2,800,568	79,030	2,879,598
Revaluation	(90,568)	-	(90,568)
At 31 March 2006	<u>2,710,000</u>	<u>79,030</u>	<u>2,789,030</u>
Depreciation			
Charge for the period	-	(3,333)	(3,333)
At 31 March 2006	<u>-</u>	<u>(3,333)</u>	<u>(3,333)</u>
Net book value			
At 31 March 2006	<u>2,710,000</u>	<u>75,697</u>	<u>2,785,697</u>

The company's investment properties were revalued by the following external valuers: Murray & Muir, D M Hall, SPS Surveyors and Allied Surveyors Scotland. The valuations were all carried out within six months of the period end, and the general partner considers these valuations to be appropriate at 31 March 2006

The basis of the valuations was open market value, and the temporary deficit has been transferred to the revaluation reserve. No other assets have been revalued. The net book value of investment properties determined under the historical cost convention is £2,800,568

4 Debtors

	2006 £
Amounts due from general partner	100
Amounts due from limited partner	7,055
Other debtors	8,750
	<u>15,905</u>

The amounts due from the general partner relate to the capital it has subscribed to the partnership

5 Creditors: amounts falling due within one year

	2006 £
Trade creditors	194,260
Accruals and deferred income	2,500
	<u>196,760</u>

6 Creditors: amounts falling due after more than one year

	2006 £
Bank loan	1,834,875
Loan due to limited partner	1,005,900
	<u>2,840,775</u>

The bank loan is due to be repaid on maturity, during the 2012/2013 financial year Interest is charged at 0.85% above LIBOR.

7 Related party transactions

The following related party transactions require to be disclosed under Financial Reporting Standard 8

The partnership entered into a transaction with its limited partner, Buccleuch and Grant Residential Unit Trust, in order to receive a loan of £1,005,900 This loan is non interest bearing and the full amount is outstanding at the end of the period.

In addition, a management charge of £580 was charged by Grant Development Limited, a 50% shareholder of Buccleuch Grant Limited and a minority unit holder in Buccleuch Grant Residential Property Partnership

8 Capital contribution

The partnership had capital contributions as set out below

	2006
	£
Capital contributions	
Capital contribution general partner	100
Capital contribution limited partner	100
	<u>200</u>

The rights and responsibilities of the general and limited partners are set out in the partnership agreement and are set out below

The rights and responsibilities of the general partner are as follows:

- To manage the day to day business of the partnership
- To execute on behalf of the partnership all documents
- To execute the borrowing of money in the name of the partnership
- To receive an annual fixed profit share of 0.01% per annum of the value of investments
- To determine the amounts and timing of distribution of partnership profits

The rights and responsibilities of the limited partner are as follows

- The limited partner shall not be liable for the debts and obligations of the partnership beyond its capital contribution and loan balance
- In the event of a loss the limited partner shall only be liable to the extent of its capital contribution and loan balance. The general partner would bear any excess loss
- The limited partner does not take part in the day to day business of the partnership
- The limited partner is entitled to all realised and distributed profits whether of capital or revenue nature

9 Reserves

	Revaluation reserve £	Profit and loss account £
Loss for the financial period		(49,582)
Revaluation of fixed assets	(90,568)	
At 31 March 2006	<u>(90,568)</u>	<u>(49,582)</u>

10 Reconciliation of movements in partners' funds

	2006 £
Loss for the financial period	(49,582)
Other net recognised gains and losses	(90,568)
Net reduction in partners' funds	(140,150)
New capital contributions	200
Closing partners' deficit	<u>(139,950)</u>

Other net recognised gains or losses in the period comprise an unrealised loss of £90,568 on revaluation of investment properties

11 Capital commitments

There were no capital commitments at the balance sheet date

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date