

Company Registration No. 01214245 (England and Wales)

LOWTHER ESTATES LIMITED

**DIRECTOR'S REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2012



Saffery Champness

CHARTERED ACCOUNTANTS

LOWTHER ESTATES LIMITED

COMPANY INFORMATION

Director	J N Lowther
Secretary	S E Sharp
Company number	01214245
Registered office	Estate Office Lowther Penrith Cumbria CA10 2HG
Bankers	National Westminster Bank plc 24/25 Devonshire Street Penrith Cumbria CA11 7ST

LOWTHER ESTATES LIMITED

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LOWTHER ESTATES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The director presents his report and financial statements for the year ended 31 December 2012

Principal activities

The principal activity of the company is that of an investment company

Director

The following director has held office since 1 January 2012

J N Lowther

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

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

On behalf of the board



J N Lowther

Director

3/5/13

LOWTHER ESTATES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

		2012	2011
	Notes	£	£
Turnover		76,105	90,546
Administrative expenses		<u>(14,631)</u>	<u>(13,551)</u>
Operating profit	2	61,474	76,995
Interest payable and similar charges		<u>(9,319)</u>	<u>(8,247)</u>
Profit on ordinary activities before taxation		52,155	68,748
Tax on profit on ordinary activities	3	<u>(8,454)</u>	<u>(15,552)</u>
Profit for the year	11	<u><u>43,701</u></u>	<u><u>53,196</u></u>

The notes on pages 5 to 9 form part of these financial statements

LOWTHER ESTATES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	5		2,789		3,338
Tangible assets	6		29,994		32,409
			<u>32,783</u>		<u>35,747</u>
Current assets					
Debtors	7	414,329		394,354	
Cash at bank and in hand		4,588		25,505	
			<u>418,917</u>	<u>419,859</u>	
Creditors: amounts falling due within one year	8	(171,636)		(152,935)	
Net current assets			<u>247,281</u>		<u>266,924</u>
Total assets less current liabilities			280,064		302,671
Creditors: amounts falling due after more than one year	9		(198,615)		(225,922)
			<u>81,449</u>		<u>76,749</u>
Capital and reserves					
Called up share capital	10		7,000		7,000
Profit and loss account	11		74,449		69,749
Shareholders' funds			<u>81,449</u>		<u>76,749</u>

LOWTHER ESTATES LIMITED

**BALANCE SHEET (continued)
AS AT 31 DECEMBER 2012**

For the financial year ended 31 December 2012 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for 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 financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The notes on pages 5 to 9 form part of these financial statements.

Approved by the Board for issue on 3/5/13



J N Lowther
Director

Company Registration No. 01214245

LOWTHER ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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 April 2008)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents royalties received for mineral rights from the Ghyll Scaur Quarry stated net of Value Added Tax

1.4 Mineral rights

Mineral rights are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Freehold land	7p per tonne of stone quarried
Office equipment	20% straight line
Computer equipment	33% straight line

1.6 Trademarks

Trademarks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives

2 Operating profit

	2012	2011
	£	£
Operating profit is stated after charging		
Amortisation of intangible assets	549	495
Depreciation of tangible assets	<u>2,415</u>	<u>2,588</u>

LOWTHER ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

3	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U K corporation tax	10,883	14,339
	Adjustment for prior years	(2,429)	1,213
	Total current tax	8,454	15,552

4	Dividends	2012	2011
		£	£
	Ordinary interim paid	39,001	-

5	Intangible fixed assets	Mineral rights	Trademark	Total
		£	£	£
	Cost			
	At 1 January 2012 & at 31 December 2012	5,000	5,492	10,492
	Amortisation			
	At 1 January 2012	4,999	2,155	7,154
	Charge for the year	-	549	549
	At 31 December 2012	4,999	2,704	7,703
	Net book value			
	At 31 December 2012	1	2,788	2,789
	At 31 December 2011	1	3,337	3,338

LOWTHER ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2012 & at 31 December 2012	<u>200,586</u>	<u>26,806</u>	<u>227,392</u>
Depreciation			
At 1 January 2012	168,708	26,275	194,983
Charge for the year	<u>1,884</u>	<u>531</u>	<u>2,415</u>
At 31 December 2012	<u>170,592</u>	<u>26,806</u>	<u>197,398</u>
Net book value			
At 31 December 2012	<u>29,994</u>	<u>-</u>	<u>29,994</u>
At 31 December 2011	<u>31,878</u>	<u>531</u>	<u>32,409</u>

7 Debtors

	2012	2011
	£	£
Trade debtors	21,517	-
Other debtors	<u>392,812</u>	<u>394,354</u>
	<u>414,329</u>	<u>394,354</u>

8 Creditors: amounts falling due within one year

	2012	2011
	£	£
Bank loans and overdrafts	34,749	34,749
Trade creditors	2,100	-
Taxation and social security	29,985	26,266
Other creditors	<u>104,802</u>	<u>91,920</u>
	<u>171,636</u>	<u>152,935</u>

LOWTHER ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

9 Creditors: amounts falling due after more than one year	2012	2011
	£	£
Bank loans	198,615	225,922
	<u>198,615</u>	<u>225,922</u>
Analysis of loans		
Wholly repayable within five years	233,364	260,671
Included in current liabilities	(34,749)	(34,749)
	<u>198,615</u>	<u>225,922</u>

The bank holds Mortgage Debenture over the assets of the company as security against the loan

10 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
7,000 Ordinary shares of £1 each	7,000	7,000
	<u>7,000</u>	<u>7,000</u>

11 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 January 2012	69,749
Profit for the year	43,701
Dividends paid	(39,001)
	<u>74,449</u>
Balance at 31 December 2012	<u>74,449</u>

12 Control

J N Lowther is the ultimate controlling party of Lowther Estates Limited

LOWTHER ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

13 Related party relationships and transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
J N Lowther - Director's Loan	-	373,432	20,000	-	(39,001)	354,431
		<u>373,432</u>	<u>20,000</u>	<u>-</u>	<u>(39,001)</u>	<u>354,431</u>

Other transactions

The company also entered into transactions during the year with other related parties as follows

Lowther Estates Limited paid management fees to Lakeland Investments Limited of £6,000 (2011 £5,930) There were no balances outstanding at the year end

During the period the company loaned £38,381 (2011 nil) to Lowther (1992) Estate Trust, the balance was outstanding in full at the year end (2011 £88,120 due from the company) The company repaid the £88,120 in full to Lowther (1992) Estate Trust during the year

During the period Lowther Forestry Group loaned the company £99,820 (2011 nil) and charged interest on the loan of £1,832 The balance at the year end due to Lowther Forestry Group was £101,652 (2011 nil)

J N Lowther, the company director, is also a director of Lakeland Investment Limited and Lowther Forestry Group Limited Lakeland Investments Limited is also wholly owned by Lowther (1992) Estate Trust, of whom J N Lowther is a beneficiary