

**REPORT TO:** Audit and Governance Committee

**MEETING DATE:** 27 November 2018

**BY:** Depute Chief Executive (Resources and People Services)

**SUBJECT:** East Lothian Land Ltd 2017/18

---

**1 PURPOSE**

- 1.1 To inform the Audit and Governance Committee of the work undertaken by East Lothian Land Ltd in 2017/18.

**2 RECOMMENDATIONS**

- 2.1 That the Audit and Governance Committee note the contents of the report.

**3 BACKGROUND**

- 3.1 East Lothian Council established East Lothian Land Ltd (ELL) in 2000, a company limited by guarantee (SC208723), through the transfer of undeveloped employment land in council ownership at Macmerry (Opposite the industrial estate) in return for 100% equity in the company.
- 3.2 The transferred employment land at that time was viewed by the private sector as undevelopable providing insufficient return on investment.
- 3.3 No additional financial support was provided to the company by East Lothian Council (ELC). ELL went to the financial market to fund the development costs of the Macmerry Business Park as well as self funding through selling of plots as they were serviced.
- 3.4 In 2016/17 the company developed the empty council building located at Brewery Park, Haddington into 10 individual offices spaces – since opening in October 2016 it has run at 100% occupancy.
- 3.5 The company has a board of 4 directors comprising of the Leader of the Council, Economic Development spokesperson, a private industry sector

representative and the Depute Chief Executive – Resources and People Services.

- 3.6 The Economic Development & Strategic Investments (EDSI) Business Development manager, is the Company Secretary and manager of the company. The manager is supported by the EDSI Business Development assistant.
- 3.7 The board act on a “*Pro Bono*” basis and do not receive payment. The Business Development manager and assistant undertake the work under their current ELC job remits.
- 3.8 Board meetings are held on a regular basis linked to ongoing business requirements and commercial developments. Decisions made are taken by a majority with the Chair having the casting vote on any tied outcome.
- 3.9 Minutes of any board meetings are taken and approved at subsequent board meeting by the chair.

### **Financial**

- 3.10 East Lothian Land Ltd is VAT registered and is audited annually by Springfords Accountancy Dalkeith. End of Year accounts are approved by the board and signed off accordingly and provided to ELC for group accounting purposes. (See appendix 1 End of year accounts).
- 3.11 ELL accountants’ opinion is that the financial statements for the company give a true and fair view of the state of the company affairs as at 31<sup>st</sup> March 2018 and of its loss of £1,638 for the year then ended. A concern was raised by the accountants over the lack of turnover / actual business for the company during the period which has been noted by the board of directors.
- 3.12 Springfords have now merged with the Baldwin Accounting Group and will be renamed Dallas Campbell. The board agreed to retain the firm as the company accountants at the board meeting held in November 2018.
- 3.13 East Lothian Land Ltd use Excel for accounting purposes and as a VAT registered entity and to comply with “Making Tax Digital” from the 1<sup>st</sup> April 2019 the company will require to move to an online accounting platform – Xero cloud accounting being the recommendation by the company accountants.
- 3.14 The company changed banks in July 2018 from the Royal Bank of Scotland to Handelsbanken due to the offer of a higher interest rate on funds lodged.

## **2017/18 Projects Considered**

### *Gateside East and West, Haddington*

- 3.15 Both employment sites were to come into Council ownership through Section 75 agreements in the year 17/18 and that ELL may be required to develop the sites. Initial drawings were commissioned for the West site but did not proceed further as the site did not transfer to ELC ownership in this period.
- 3.16 Gateside East site Section 75 was challenged and overturned by the Scottish Government Reporter and did not transfer to ELC ownership.

### *Tantallon Office, North Berwick*

- 3.17 ELL Ltd entered into discussions with the owner of an office development in North Berwick in relation to renting space and converting into 7 small offices.
- 3.18 The project did not proceed as rental level quoted to ELL Ltd for the space was prohibitive and the company would be unable to make a return on investment.

### *Macmerry Business Park*

- 3.19 ELL owns a strip of land at Macmerry Business Park which has a zero value on balance sheet. The site was considered as an option to develop / sell but following discussions with architect it was deemed too difficult to develop.

### *Dunbar Road, Haddington*

- 3.20 ELL following a discussion with ELC estates suggested a possible option for Dunbar Road, Haddington – the current Museum and Library HQ.
- 3.21 ELC had a vacant unit of 15,000 sqft on the first floor at Inveresk Industrial estate (Unit 4.4), Musselburgh which for heavy items is serviced via a lift. Further the unit requires a new external fire escape to be constructed. This make letting of the property challenging.
- 3.22 The option would be to relocate the council services in Dunbar Road to this unit and re-configure Dunbar road for commercial letting.
- 3.23 ELL held a meeting with senior council officials in relation to this building unaware that a relocation of the Museum and Library service had been previously considered in 2014 and was viewed as being not cost effective.

### *Brewery Park block C*

- 3.24 Based on Brewery Park Block B success - Block C was given consideration for future development. The proposal did not progress due to challenging internal layout of the building.

### *Various*

- 3.25 A number of other sites and buildings were raised and discussed by the board of ELL Ltd but did not come to fruition.

## **2017/18 Projects Delivered**

- 3.26 None.

## **Future Projects**

- 3.27 The company actively scans the market for possible developments and have recently been unsuccessful with offers for the RboS building in North Berwick and for a land site allocated for economic use.
- 3.28 Ongoing engagement with a number of possible joint ventures are taking place and the company liaises closely with ELC estates for possible opportunities around vacant council premises and ELC owned commercial properties that may require remediation / rebuilt.

## **4 POLICY IMPLICATIONS**

- 4.1 The two strategic goals of the refreshed East Lothian Council Economic Development Strategy 2012 to 22 are :-

- To increase the number of businesses in East Lothian with growth potential
- To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy.

- 4.2 The work East Lothian Land Ltd undertakes mirrors and supports the strategic goals set out in the Economic Development Strategy with the company objectives as follows: - *“To promote, support and/or effect the development of land and property within the area served by East Lothian Council, with a view to stimulate economic development and regeneration and so to assist in the creation of employment opportunities.”*

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial - None
- 6.2 Personnel - EDSI's Business Development Team manager, Business Development assistant and Depute Chief Executive.
- 6.3 Other – none

## **7 BACKGROUND PAPERS**

- 7.1 Report on the financial year 2016/17 presented to the Audit and Governance Committee on 20 February 2018.

<b>AUTHOR'S NAME</b>	Richard Baty
<b>DESIGNATION</b>	Business Development Manager
<b>CONTACT INFO</b>	Tel 7177 <a href="mailto:rbaty@eastlothian.gov.uk">rbaty@eastlothian.gov.uk</a>
<b>DATE</b>	9 November 2018



**EAST LOTHIAN LAND LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

# EAST LoTHIAN LAND LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Eric Murray William Innes John McMillan Alex McCrorie
<b>Secretary</b>	Richard Baty
<b>Company number</b>	SC208723
<b>Registered office</b>	John Muir House Room 2.19 Brewery Park Haddington East Lothian EH41 3HA
<b>Auditor</b>	Springfords LLP Dundas House Westfield Park Eskbank Edinburgh EH22 3FB
<b>Business address</b>	John Muir House Room 2.19 Brewery Park Haddington East Lothian EH41 3HA
<b>Bankers</b>	The Royal Bank of Scotland plc 32 Court Street Haddington EH41 3NS
<b>Solicitors</b>	HBJ Gateley Exchange Tower 19 Canning Street Edinburgh EH3 8EH

---



## CONTENTS

---

	<b>Page</b>
Directors' report	1
Independent auditor's report	2 - 3
Statement of income and retained earnings	4
Balance sheet	5
Statement of cash flows	6
Notes to the financial statements	7 - 11

---

# EAST LOTHIAN LAND LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2017

---

The directors present their report and financial statements for the year ended 31 March 2017.

#### Principal activities

The principal activity of the company continued to be that of trading in land for development.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Eric Murray  
William Innes  
John McMillan  
Alex McCrorie

#### Statement of 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are 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 directors are 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 directors are 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 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.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....  
Eric Murray  
**Director**  
.....

## **EAST LoTHIAN LAND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBER OF EAST LoTHIAN LAND LIMITED**

---

We have audited the financial statements of East Lothian Land Limited for the year ended 31 March 2017 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 1, 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 and express an opinion on 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 Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 7 to the financial statements.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

# EAST LOTHIAN LAND LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF EAST LOTHIAN LAND LIMITED

---

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

**J Fergus Kerr ACA (Senior Statutory Auditor)**  
for and on behalf of Springfords LLP

.....

**Chartered Accountants**  
**Statutory Auditor**

Dundas House  
Westfield Park  
Eskbank  
Edinburgh  
EH22 3FB

**EAST LOTHIAN LAND LIMITED****STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 MARCH 2017**

			<b>2017</b>	<b>2016</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>as restated £</b>
Administrative expenses			(2,728)	(2,470)
Other operating income			2	2
<b>Operating loss</b>			<u>(2,726)</u>	<u>(2,468)</u>
Interest receivable and similar income			500	888
<b>Loss before taxation</b>			<u>(2,226)</u>	<u>(1,580)</u>
Taxation			-	-
<b>Loss for the financial year</b>			<u>(2,226)</u>	<u>(1,580)</u>
Retained earnings at 1 April 2016 as previously reported		(218,782)	(195,186)	
Effect of prior period adjustments	<b>8</b>	<u>22,016</u>	<u>-</u>	
As restated			(196,766)	(195,186)
Retained earnings at 31 March 2017			<u><u>(198,992)</u></u>	<u><u>(196,766)</u></u>

**EAST LOTHIAN LAND LIMITED****BALANCE SHEET****AS AT 31 MARCH 2017**

	Notes	2017		2016 as restated	
		£	£	£	£
<b>Current assets</b>					
Debtors	2	144,117		37,640	
Cash at bank and in hand		459,106		592,566	
		<u>603,223</u>		<u>630,206</u>	
<b>Creditors: amounts falling due within one year</b>	3	(2,215)		(26,972)	
<b>Net current assets</b>			601,008		603,234
			<u><u>601,008</u></u>		<u><u>603,234</u></u>
<b>Capital and reserves</b>					
Called up share capital	4		800,000		800,000
Profit and loss reserves			(198,992)		(196,766)
<b>Total equity</b>			601,008		603,234
			<u><u>601,008</u></u>		<u><u>603,234</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

.....  
Eric Murray  
**Director**

**Company Registration No. SC208723**

**EAST LOTHIAN LAND LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2017**


---

		2017		2016 as restated	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	6		(133,960)		(12,969)
<b>Investing activities</b>					
Interest received		500		888	
<b>Net cash generated from investing activities</b>					
			500		888
<b>Net cash used in financing activities</b>					
			-		-
<b>Net decrease in cash and cash equivalents</b>					
			(133,460)		(12,081)
Cash and cash equivalents at beginning of year			592,566		604,647
<b>Cash and cash equivalents at end of year</b>			<u>459,106</u>		<u>592,566</u>

---

## **EAST LOTHIAN LAND LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MARCH 2017**

---

#### **1 Accounting policies**

##### **Company information**

East Lothian Land Limited is a private company limited by shares incorporated in Scotland. The registered office is John Muir House Room 2.19, Brewery Park, Haddington, East Lothian, EH41 3HA.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of East Lothian Land Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The financial statements have been prepared under UK Financial Reporting Standard 102. The company's auditors do not believe that the results and balance sheet are inconsistent with International Financial Reporting Standards.

##### **1.2 Going concern**

The company has significant cash resources and very few liabilities. The directors consider that the company will continue in operational existence for the foreseeable future and they therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **1.4 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.



## EAST LOTHIAN LAND LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2017

---

#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

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 company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

**EAST LOTHIAN LAND LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****1 Accounting policies****(Continued)****Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**2 Debtors**

	<b>2017</b>	<b>2016</b>
		<b>as restated</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Loan receivable	144,117	37,640
	<u>144,117</u>	<u>37,640</u>

Debtors include an amount of £122,316 (2016 - £37,640) which is due after more than one year.

**3 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	-	397
Other creditors	2,215	26,575
	<u>2,215</u>	<u>26,972</u>

**EAST LOTHIAN LAND LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****4 Called up share capital**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
800,000 Ordinary £1 shares of £1 each	800,000	800,000
	<u>          </u>	<u>          </u>

**5 Parent entity**

The company is controlled, by virtue of its owning 100% of the issued share capital, by East Lothian Council whose principal place of business is John Muir House, Brewery Park, Haddington, EH41 3HA. East Lothian Council prepares consolidated financial statements which are publicly available from their website.

**6 Cash generated from operations**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>as restated £</b>
Loss for the year after tax	(2,226)	(1,580)
<b>Adjustments for:</b>		
Investment income	(500)	(888)
<b>Movements in working capital:</b>		
(Increase) in debtors	(106,477)	(35,258)
(Decrease)/increase in creditors	(24,757)	24,757
	<u>          </u>	<u>          </u>
<b>Cash absorbed by operations</b>	<u>(133,960)</u>	<u>(12,969)</u>

**7 Non-audit services provided by auditor**

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**EAST LOTHIAN LAND LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****8 Prior period adjustment**

Amounts totalling £37,640, of which £15,624 had been capitalised as fixed assets and £22,016 had been expensed as administrative expenses in the accounts for the year ended 31 March 2016, have been restated to be included within debtors. The impact of this prior period adjustment is as follows:

**Changes to the balance sheet**

	<b>At 31 March 2016</b>		
	<b>As previously reported</b>	<b>Adjustment</b>	<b>As restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	15,624	(15,624)	-
<b>Current assets</b>			
Debtors due within one year	-	37,640	37,640
	<u>          </u>	<u>          </u>	<u>          </u>
Net assets	581,218	22,016	603,234
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Capital and reserves</b>			
Profit and loss account	(218,782)	22,016	(196,766)
	<u>          </u>	<u>          </u>	<u>          </u>

**Changes to the profit and loss account**

	<b>Period ended 31 March 2016</b>		
	<b>As previously reported</b>	<b>Adjustment</b>	<b>As restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Administrative expenses	(24,486)	22,016	(2,470)
	<u>          </u>	<u>          </u>	<u>          </u>
Loss for the financial period	(23,596)	22,016	(1,580)
	<u>          </u>	<u>          </u>	<u>          </u>

**EAST LOTHIAN LAND LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**EAST LOTHIAN LAND LIMITED****DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2017**

---

	2017	2016
	£	as restated £
<b>Administrative expenses</b>	(2,728)	(2,470)
<b>Other operating income</b>		
Sundry income	2	2
<b>Operating loss</b>	(2,726)	(2,468)
<b>Investment revenues</b>		
Bank interest received	500	888
	500	888
<b>Loss before taxation</b>	(2,226)	(1,580)

---

**EAST LOTHIAN LAND LIMITED**

**SCHEDULE OF ADMINISTRATIVE EXPENSES**

***FOR THE YEAR ENDED 31 MARCH 2017***

---

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>as restated</b>
		<b>£</b>
<b>Administrative expenses</b>		
Audit fees	1,650	1,650
Accountancy	1,018	755
Bank charges	60	65
	<u>2,728</u>	<u>2,470</u>
	<u><u>2,728</u></u>	<u><u>2,470</u></u>

---