

**The Esk and Liddle Fishery Company Limited**  
Financial statements  
For the year ended 31 October 2007



**Company No. SC017169**

## Officers and professional advisers

<b>Company registration number</b>	SC017169
<b>Registered office</b>	Weatherhouse Bowhill SELKIRK TD7 5ES
<b>Directors</b>	S G Vickers M S Oddy J A Maclean
<b>Secretary</b>	M J McGrath
<b>Bankers</b>	The Royal Bank of Scotland plc High Street LANGHOLM DG13 0JH
<b>Solicitors</b>	Anderson Strathern LLP 1 Rutland Court EDINBURGH EH3 8EY
<b>Auditor</b>	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 2007

### **Principal activities**

The principal activities of the company during the year were the owning and letting of fishing on the River Esk and its tributaries

### **Directors**

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

His Grace, The 9<sup>th</sup> Duke of Buccleuch and Queensberry KT (Deceased 4 September 2007)  
S G Vickers  
M S Oddy (appointed 9 January 2008)  
J A Maclean (appointed 9 January 2008)

### **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.

## 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

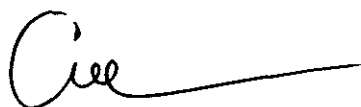
### **Auditor**

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 section 385 of 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

ON BEHALF OF THE BOARD



J A Maclean  
Director

6/8/08



## Report of the independent auditor to the members of The Esk and Liddle Fishery Company Limited

We have audited the financial statements of The Esk and Liddle Fishery Company Limited for the year ended 31 October 2007 on pages 9 to 14. 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 pages 7 to 8.

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 The Esk and Liddle Fishery Company 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 October 2007 and of its profit for the year then ended,
- 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

25/11/08

## 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)

### **Turnover**

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

### **Intangible assets**

Purchased intangible fixed assets are initially recorded at cost and depreciated over their useful lives. No depreciation is provided on fishing rights not having a finite useful life, with any permanent diminution in value recognised in the period in which it occurs.

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.



## 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.

### **Investment income**

*Investment income is accounted for on a due and receivable basis.*

## Profit and loss account

		2007	2006
	Note	£	£
Turnover		1,625	1,500
Other operating charges	1	(2,000)	(1,700)
<b>Operating loss</b>	2	<u>(375)</u>	<u>(200)</u>
Income from fixed asset investments	4	1,551	2,659
Interest receivable		43	—
<b>Profit on ordinary activities before taxation</b>		<u>1,219</u>	<u>2,459</u>
Tax on profit on ordinary activities		(60)	60
<b>Profit for the financial year</b>	12	<u><u>1,159</u></u>	<u><u>2,519</u></u>

## Balance sheet

		2007	2006
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	6	2,500	2,500
Investments	7	5,621	5,621
		<u>8,121</u>	<u>8,121</u>
<b>Current assets</b>			
Debtors	8		60
Cash at bank		5,403	5,194
		<u>5,403</u>	<u>5,254</u>
<b>Creditors amounts falling due within one year</b>	9	(940)	(750)
<b>Net current assets</b>		<u>4,463</u>	<u>4,504</u>
<b>Total assets less current liabilities</b>		<u>12,584</u>	<u>12,625</u>
<b>Capital and reserves</b>			
Called up equity share capital	11	100	100
Other reserves		4,271	4,271
Profit and loss account	12	8,213	8,254
<b>Shareholders' funds</b>		<u>12,584</u>	<u>12,625</u>

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 6/8/08 and are signed on their behalf by



J A Maclean  
Director



S G Vickers  
Director

## Other primary statements

### Statement of total recognised gains and losses

	2007	2006
	£	£
Profit for the financial year	1,159	2,519
Total recognised gains and losses for the year	1,159	2,519
Prior year adjustment		(1,200)
Total gains and losses recognised since the last financial statements	1,159	1,319

**The accompanying accounting policies and notes form part of these financial statements.**

## Notes to the financial statements

### 1 Other operating charges

	2007	2006
	£	£
Administrative expenses	<u>2,000</u>	<u>1,700</u>

### 2 Operating loss

Operating loss is stated after charging

	2007	2006
	£	£
Auditor's fees	<u>940</u>	<u>750</u>

### 3 Particulars of employees

The directors are employees of the holding company, The Buccleuch Estates Limited, and are also directors of other group subsidiaries. Emoluments are paid by The Buccleuch Estates Limited 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.

One (2006 – one) director is accruing benefits under a defined benefit scheme and two (2006 – none) directors are accruing benefits under a defined contribution scheme in respect of their services to the group companies.

### 4 Income from fixed asset investments

	2007	2006
	£	£
Income from other fixed asset investments	<u>1,551</u>	<u>2,659</u>

### 5 Dividends

Dividends on shares classed as equity

	2007	2006
	£	£
Paid during the year		
Equity dividends on ordinary shares	<u>1,200</u>	<u>1,200</u>

## Notes to the financial statements (continued)

### **6 Intangible fixed assets**

	Fishings £
Cost	
At 1 November 2006 and 31 October 2007	<u>2,500</u>
Amortisation	
At 1 November 2006 and 31 October 2007	<u>—</u>
Net book value	
At 31 October 2007	<u>2,500</u>
At 31 October 2006	<u>2,500</u>

### **7 Investments**

	Listed Investments £
Cost	
At 1 November 2006 and 31 October 2007	<u>5,621</u>
Net book value	
At 31 October 2007	<u>5,621</u>
At 31 October 2006	<u>5,621</u>

Listed investments having a net book value of £5,621 (2006 £5,621) are held by the company and had a market value of £42,928 (2006 £40,100) at the end of the year. In the event of the investments being realised at the stated market value the potential tax liability, which has not yet been provided for, is estimated at £11,192 (2006 £10,434).

### **8 Debtors**

	2007	2006
	£	£
Amounts owed by group undertakings	<u>—</u>	<u>60</u>

## Notes to the financial statements (continued)

### **9 Creditors: amounts falling due within one year**

	2007	2006
	£	£
Other creditors	<u>940</u>	<u>750</u>

### **10 Related party transactions**

Related party transactions with other group undertakings are excluded from the consolidated financial statements of The Buccleuch Estates Limited and are therefore exempt from disclosure in these financial statements

### **11 Share capital**

Authorised share capital

	2007	2006
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

### **12 Profit and loss account**

	2007	2006
	£	£
Balance brought forward as previously reported	8,254	5,735
Prior year adjustment		1,200
Balance brought forward restated	<u>8,254</u>	<u>6,935</u>
Profit for the financial year	1,159	2,519
Equity dividends paid	<u>(1,200)</u>	<u>(1,200)</u>
Balance carried forward	<u>8,213</u>	<u>8,254</u>

### **13 Ultimate parent company**

The company's parent undertaking and controlling entity is The Buccleuch Estates Limited, a company registered in Scotland