

R C PROPERTY LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2000

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R C PROPERTY LIMITED

DIRECTORS AND OFFICERS

Directors

A D W Allan
A Buchan
R P Duthie
R J Turner

Secretary

G A Hanson

Registered office

12 Timber Bush
EDINBURGH
EH6 6QH

Auditors

Arthur Andersen
191 West George Street
GLASGOW
G2 2LB

R C PROPERTY LIMITED

DIRECTORS' REPORT

The Directors submit their report and accounts for the year ended 31 December 2000.

Results and dividends

The profit for the year after taxation was £6,490 (1999 – loss £22,099) and has been dealt with as shown in the profit and loss account.

The Directors do not recommend a dividend (1999 - £Nil).

Principal activities and review of the business

The company owns a factory at Granton, Edinburgh, which has been leased to Ghillie & Glen Limited.

Directors and their interests

The Directors during the year are as listed on page 2.

No Director at any time owned shares in the company.

Statement of Directors' Responsibilities

The Directors of R C Property Limited are required by UK company law to prepare accounts 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 the profit or loss for the year. They are also responsible for ensuring that proper and adequate accounting records have been maintained, and that reasonable procedures have been followed for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities. Appropriate accounting policies, which follow generally accepted accounting practice and are explained in the notes to the accounts, have been applied consistently. In addition, reasonable and prudent judgements and estimates have been used in the preparation of the accounts.

Close company provisions

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

By order of the Board on 27 April 2001.



G A HANSON
Secretary

R C PROPERTY LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF R C PROPERTY LIMITED

We have audited the accounts on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of Directors and auditors

As described on page 3, the company's Directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

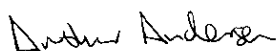
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

191 West George Street
GLASGOW
G2 2LB

27 April 2001

R C PROPERTY LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2000

	Note	2000 £	1999 £
TURNOVER	2		
Continuing operations		150,000	25,000
Discontinuance		-	12,959
		<u>150,000</u>	<u>37,959</u>
COST OF SALES			
Continuing operations		82,576	24,862
Discontinuance		5,164	(3,178)
		<u>87,740</u>	<u>21,684</u>
GROSS PROFIT		62,260	16,275
Administrative expenses	5	<u>(56,249)</u>	<u>(50,068)</u>
OPERATING PROFIT/(LOSS)	3		
Continuing operations		11,175	(47,589)
Discontinuance		(5,164)	13,796
		<u>6,011</u>	<u>(33,793)</u>
 Net financial income	6	<u>4,280</u>	<u>2,280</u>
 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		10,291	(31,513)
Tax on profit/(loss) on ordinary activities	7	(3,801)	9,414
 PROFIT/(LOSS) FOR THE YEAR	13	<u><u>6,490</u></u>	<u><u>(22,099)</u></u>

Statement of total recognised gains and losses

for the year ended 31 December 2000

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £6,490 in the year ended 31 December 2000 and the loss of £22,099 in the year ended 31 December 1999.

The notes on pages 7 to 11 form part of these accounts.

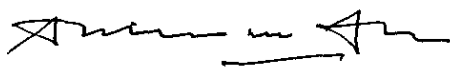
R C PROPERTY LIMITED

BALANCE SHEET

at 31 December 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible assets	8	1,903,233	1,986,381
CURRENT ASSETS			
Debtors	9	487,327	392,315
Cash at bank and in hand		<u>39,689</u>	<u>99,652</u>
		527,016	491,967
CREDITORS			
Amounts falling due within one year	10	<u>(85,950)</u>	<u>(243,554)</u>
NET CURRENT ASSETS		<u>441,066</u>	<u>248,413</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,344,299	2,234,794
CREDITORS			
Amounts falling due after more than one year	10	(1,806,815)	(1,733,614)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	11	<u>(174,413)</u>	<u>(144,599)</u>
NET ASSETS		<u>363,071</u>	<u>356,581</u>
CAPITAL AND RESERVES			
Called up equity share capital	12	1,000,000	1,000,000
Profit and loss account	13	<u>(636,929)</u>	<u>(643,419)</u>
TOTAL SHAREHOLDERS' FUNDS	13	<u>363,071</u>	<u>356,581</u>

Approved by the Board on 27 April 2001.



A D W ALLAN
Director

The notes on pages 7 to 11 form part of these accounts.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2000

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Depreciation

Depreciation is calculated to write off the cost of fixed assets on a straight line basis over their expected useful lives as follows:-

Long leaseholds – original factory – 50 years

Long leaseholds – factory extension – 15 years

(c) Taxation

Corporation tax is provided on taxable profits at the current rate. Where tax losses are surrendered to fellow group undertakings they are paid for in full.

Provision is made for deferred taxation using the liability method on timing differences to the extent that it is probable that the liability will crystallise.

(d) Leases

Rentals in respect of operating leases are charged to the profit and loss account as incurred.

(e) Grants

Capital based grants are credited to trading profit over the estimated economic lives of the assets to which they relate. The grants shown on the balance sheet under accruals and deferred income comprise the total grants receivable, less amounts so far credited to profits.

(f) Pension Contributions

Employees of J. & J. Denholm Limited and the majority of its subsidiary undertakings in the United Kingdom are entered into either a defined benefit or defined contribution pension scheme.

Pension benefits in the case of the defined benefit schemes are funded by payments to a Trustee administered fund. The company's contributions are based on the most recent valuation of the fund and amounts charged to the profit and loss account represent the regular cost of pensions. All variations to regular cost are dealt with in the accounts of J. & J. Denholm Limited.

In respect of defined contribution pension schemes, contributions are charged to the profit and loss account as incurred.

(g) Cash flow statement

The company is exempt from the requirements of FRS1 (Revised) to include a cash flow statement as part of its accounts as it is a wholly-owned subsidiary of an EU-registered parent whose consolidated accounts include a cash flow statement.

2 TURNOVER

Turnover is stated exclusive of value added tax, is wholly attributable to the U.K., and comprises rental income in addition to sundry sales arising from the merchandising of fish, an activity that has been discontinued.

R C PROPERTY LIMITED

NOTES TO THE ACCOUNTS

for the year ended 31 December 2000

3 OPERATING PROFIT/(LOSS)	2000	1999
The operating result is arrived at after charging/(crediting):	£	£
Auditors' remuneration	2,400	75
Depreciation of tangible fixed assets:		
leased	83,148	25,548
Grants	<u>(16,962)</u>	<u>(7,804)</u>

4 EMPLOYEES

There were no direct employees in the year.

Pensions

The number of Directors who were members of The Denholm Pension Scheme (Defined Benefit) during 2000 was 4 (1999 - 4).

5 ADMINISTRATIVE EXPENSES	2000	1999
	£	£
Continuing operations	56,249	47,727
Discontinuance	-	2,341
	<u>56,249</u>	<u>50,068</u>

6 NET FINANCIAL INCOME	2000	1999
	£	£
Interest receivable:		
Interest on short term deposits	4,280	2,466
Interest payable:		
Overdraft interest	-	(186)
	<u>4,280</u>	<u>2,280</u>

7 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2000	1999
Current tax:	£	£
U.K. Corporation tax on profits of the period	8,208	24,553
Adjustment in respect of prior periods	17,805	(1,671)
	<u>26,013</u>	<u>22,882</u>
Deferred tax:		
Deferred tax in respect of timing differences arising in the period	(11,806)	(14,896)
Adjustment in respect of prior periods	(18,008)	1,428
	<u>(29,814)</u>	<u>(13,468)</u>
	<u>(3,801)</u>	<u>9,414</u>

R C PROPERTY LIMITED

NOTES TO THE ACCOUNTS

for the year ended 31 December 2000

8 TANGIBLE FIXED ASSETS

Leasehold
land and
buildings
£

Cost:

At 1 January and 31 December 2000

2,141,565

Depreciation:

At 1 January 2000

155,184

Charge for year

83,148

At 31 December 2000

238,332

Net book value:

At 31 December 2000

1,903,233

At 31 December 1999

1,986,381

2000

1999

£

£

The net book value of land and buildings comprises:

Long leasehold land and buildings

1,903,233

1,986,381

9 DEBTORS

2000

1999

Amounts falling due within one year:

£

£

Trade debtors

-

340

Amounts owed by group undertakings

431,250

340,000

Prepayments and accrued income

5,511

6,831

Group relief

50,566

24,553

Other debtors

-

20,591

487,327

392,315

10 CREDITORS

2000

1999

Due within
one year

Due after
one year

Due within
one year

Due after
one year

£

£

£

£

Amounts owed to a group undertaking

-

1,400,000

-

1,400,000

Accruals and deferred income

85,950

406,815

243,554

333,614

85,950

1,806,815

243,554

1,733,614

The amount due to a group undertaking after one year is in respect of a loan from the immediate parent undertaking which is interest free and has no fixed term of repayment.

R C PROPERTY LIMITED

NOTES TO THE ACCOUNTS

for the year ended 31 December 2000

11 DEFERRED TAXATION	2000	1999
Amount provided in respect of accelerated capital allowances:	£	£
At 1 January	144,599	131,131
Charge for year	11,806	14,896
Prior year adjustment	18,008	(1,428)
At 31 December	<u>174,413</u>	<u>144,599</u>

There is no unprovided deferred taxation at 31 December 2000 or 31 December 1999.

12 EQUITY SHARE CAPITAL	2000	1999
	£	£
Authorised, issued and fully paid:		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

13 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Equity Share Capital £	Profit & Loss Reserve £	2000 Total £	1999 Total £
At 1 January	1,000,000	(643,419)	356,581	378,680
Profit/(loss) for the year	-	6,490	6,490	(22,099)
At 31 December	<u>1,000,000</u>	<u>(636,929)</u>	<u>363,071</u>	<u>356,581</u>

14 FINANCIAL COMMITMENTS	2000	1999
	£	£
Annual commitments under non-cancellable operating leases amounted to:		
Land and Buildings:		
Lease expiring		
More than 5 years	<u>15,070</u>	<u>13,890</u>

15 PENSIONS

Defined benefit:

The Group operates a funded defined benefit pension scheme. Pension fund liabilities are assessed by professionally qualified actuaries at triennial valuations. The latest actuarial assessment of the scheme was at 1 July 2000 and the information in respect of the valuation as required by SSAP 24 "Accounting for Pension Costs", is detailed in the accounts of J. & J. Denholm Limited.

16 RELATED PARTY TRANSACTIONS

Transactions with entities in which the J. & J. Denholm Limited Group of companies has control of 90% or more of the voting rights are not disclosed as permitted by Financial Reporting Standard No. 8 - "Related Party Transactions".

R C PROPERTY LIMITED

NOTES TO THE ACCOUNTS

for the year ended 31 December 2000

17 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is J. & J. Denholm Limited, a company controlled by the Denholm family. Copies of the accounts of J. & J. Denholm Limited may be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh EH1 2EB.