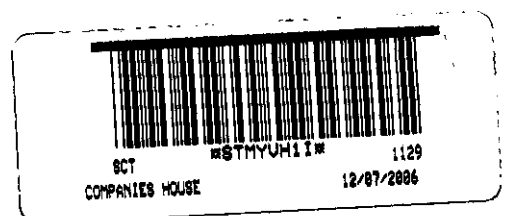


**WM. MCKINNON & COMPANY LIMITED**

**Directors Report and Financial Statements**

**30<sup>th</sup> September 2005**

Registered number SC 75153





# **Wm McKinnon & Company Limited**

## **Directors' report and financial statements**

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**SECRET**

# **Wm McKinnon & Company Limited**

**Directors' report and financial statements**

**Officers and professional advisers**

## **DIRECTORS**

**W A Cameron  
H O Cameron**

## **SECRETARY**

**Peterkins**

## **REGISTERED OFFICE**

**100 Union Street  
Aberdeen  
AB9 1QQ**

## **BANKERS**

**Barclays Bank  
Rubislaw Terrace  
Aberdeen**

## **SOLICITORS**

**Peterkins  
Advocates  
100 Union Street  
Aberdeen  
AB9 1QQ**

## **ACCOUNTANT**

**Barbara Cresswell  
Chartered Accountant  
7 Baillieswells Grove  
Bieldside  
Aberdeen  
AB15 9BH**



# Wm McKinnon & Company Limited

## Directors' report

The directors present their annual report and financial statements for the year ended 30 September 2005

## Principal activity

The principal activity of the company is provision of plantation machinery.

## Directors and directors' interests

The present membership of the board is set out on page 1.

The directors who held office at the end of the financial year had the following interests in the shares of the company as recorded in the register of directors' share interests.

	Class of share	Interest at beginning of year	Interest at end of year
W A Cameron	£1 Ordinary shares	33,784	33,784
	£1 Preference shares	15,000	15,000
H O Cameron	£1 Ordinary shares	-	-

## Directors' report

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board

  
W A Cameron  
Director

100 Union Street  
Aberdeen  
AB9 1QQ  
18 July 2006

# Wm McKinnon & Company Limited

## Profit and loss account for year ended 30 September 2005

	Notes	2005	2004
		£	£
<b>Turnover</b>		-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross Profit</b>		-	-
Distribution costs		-	-
Administrative expenses		3,583	(4334)
		<hr/>	<hr/>
<b>Operating (loss) before interest</b>	<b>4</b>	-	(4334)
Income from participating interests		-	-
Interest receivable and similar income		-	-
Interest payable and similar charges	<b>5</b>	(16,670)	(16,777)
		<hr/>	<hr/>
<b>(Loss) on ordinary activities before taxation</b> <b>(21,111)</b>		<b>(20,253)</b>	-
Tax on loss on ordinary activities	<b>6</b>	-	-
		<hr/>	<hr/>
<b>(Loss) for financial year</b>		<b>(20,253)</b>	- (21,111)
Dividends (including non-equity dividends)		-	-
		<hr/>	<hr/>
		<b>(20,253)</b>	<b>(21,111)</b>
Accumulated profit brought forward		<b>(55,182)</b>	<b>(34,071)</b>
		<hr/>	<hr/>
<b>Accumulated (loss)/ profit carried forward</b>		<b>(75,435)</b>	<b>(55,182)</b>
		<hr/>	<hr/>



# Wm McKinnon & Company Limited

## Balance sheet at 30th September 2005

	Notes	2005	2004
		£	£
<b>Fixed assets</b>			
Tangible assets	7	nil	3583
Investments	8	<u>4092</u>	<u>4092</u>
		4092	7675
<b>Current assets</b>			
Debtors	9	318,831	318,831
Cash at bank and in hand		<u>114</u>	<u>114</u>
		318,945	318,945
<b>Creditors: amounts falling</b>			
Due within one year	10	<u>349,688</u>	<u>333,018</u>
<b>Net current assets</b>		<u>(30,743)</u>	<u>(14,073)</u>
<b>Total assets less current</b>			
<b>Liabilities</b>		<u>(26,651)</u>	<u>(6398)</u>
<b>Net assets</b>		<u>(26,651)</u>	<u>(6,398)</u>
<b>Capital and reserves</b>			
Called up share capital	9	48,784	48,784
Profit and loss account		<u>(75,435)</u>	<u>(55,182)</u>
<b>Shareholders' funds</b>		<u>(26,651)</u>	<u>(6,398)</u>

The company was entitled to exemption under section 249A(1) of the Companies Act 1985 from the requirement to have its accounts for financial year ended 31st October 2004 audited.

No notice has been deposited under section 249B(2) of the Act requiring an audit in relation to the company's accounts for that financial year.

# Wm McKinnon & Company Limited

Balance sheet (continued)  
at 30 September 2005

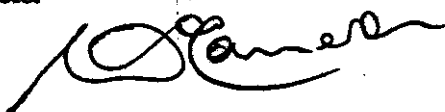
The directors acknowledge their responsibilities for:

- Ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985;
- Preparing 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 its profit or loss for the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to that company.

The directors have taken advantage of the special provisions conferred by Part VII of the Companies Act 1985, relating to small companies in the preparation of their accounts, and have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions as a small company.

These financial statements were approved by the board of directors on 18 July 2006 and were signed on their behalf by:

  
W A Cameron  
Director





# Wm McKinnon & Company Limited

## Notes

(forming part of the financial statements)

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with the Financial Reporting Statement for Smaller Entities (effective June 2002).

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

#### *Tangible fixed assets and depreciation*

Depreciation is provided by the company to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Motor vehicles	- 25% per annum
Equipment and computer	- 20% per annum
Plant and machinery	- 20% per annum

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### *Leases*

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their useful lives. The finance charges are allocated over the period of the lease rentals in proportion to the capital element outstanding.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

#### *Pension costs*

Pension costs charged to the profit and loss account represent amounts payable to one independently administered fund.

# Wm. McKinnon & Company Ltd.

Notes (continued)

## 1 Accounting policies (continued)

### Taxation

Deferred taxation is accounted for in accordance with FRS 19

## 2 Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

The turnover, which arises in United Kingdom and overseas, is attributable to the company's principal activity.

## 3 Information regarding directors

	2005	2004
	£	£
<b>2 Directors' remuneration</b>		
Emoluments (excluding pension contributions)	-	-
Company contributions to money purchase and similar pension schemes in respect of directors' services	-	-
	<b>2005</b>	<b>2004</b>
	<b>No</b>	<b>No</b>
The number of directors who are: members of a money purchase pension scheme	1	1

## 3 Operating (loss)

The operating loss is stated after charging:

	2004	2003
	£	£
Depreciation of tangible fixed assets-owned assets	3,583	4432
Assets held under hire purchase contracts	-	-
Hire of plant and machinery	-	-
Exchange losses (net)	-	-

# Wm. McKinnon & Company Limited

## Notes (continued)

	2004 £	2003 £
<b>5 Interest payable</b>		
Pension loan Interest	16,670	16,670
Bank Loans and overdrafts	-	107
Finance leases and hire Purchase contracts	-	-
	<u>16,670</u>	<u>16,777</u>

## 6 Taxation on loss on ordinary activities

UK corporation tax	-	-
Prior year adjustment	-	-
Irrecoverable ACT	-	-

## 7 Tangible fixed assets

	Plant and Machinery £	Motor vehicles	Equipment and Computers £	Total
<b>Cost</b>				
At beginning of year	17,917	35,571	3,598	52,186
385 Additions			-	-
At end of year	<u>17,917</u>	<u>35,571</u>	<u>3,598</u>	<u>52,186</u>
<b>Depreciation</b>				
At beginning of year	14,334	35,571	3,598	53,503
Charge for year	3,583			3,583
Disposals	-	-	-	-
At end of year	<u>17,917</u>	<u>35,571</u>	<u>3,598</u>	<u>57,086</u>
<b>Net book value</b>				
At 31 October 2005	-	-	-	-
Net book value				
At 30 <sup>th</sup> September 2004	<u>3,583</u>	<u>-</u>	<u>-</u>	<u>3,583</u>

The net book value of the company's tangible assets includes Nil (2004) Nil in respect of assets held under hire purchase contracts.

# Wm. McKinnon & Company Limited

## Notes (Continued)

### 8 Investments held as fixed assets

	Shares (unquoted) £
<b>Cost</b>	
At 1 October 2004 and at 30 <sup>th</sup> September 2005	<b>4092</b>

Details of associated undertakings are as follows:

Name	Activity	Country of Registration	Portion of Ordinary shares held
McKinnon India Private Ltd.	Manufacturers of Plantation machinery	India	49%

The total of McKinnon India's 's share capital and reserves as at 30 June 2003 showed a surplus of Rs .....  
Its loss for the financial year to 30th March 2005 .....

### 9 Debtors

	2005 £	2004 £
Trade debtors	<b>16,831</b>	16,831
Amounts due from subsidiary undertakings	<b>2336</b>	2336
Other debtors	<b>299,664</b>	299,664
	<b>318,831</b>	<b>318,831</b>

Included in other debtors is an amount of 199,953.00 (2004 199,953) due out within one year.

# Wm. McKinnon & Company Limited

Notes (continued)

## 10 Creditors: amounts falling due within one year

	2005	2004
£	£	£
Bank overdraft	107	107
Amounts due to group undertakings	32,866	32,866
Other creditors including taxation and social securities	-	-
Other taxes	-	-
Accruals and deferred income	51,470	51,470
Hire purchase creditor	-	-
Other creditors	265,245	248,575
	<u>349,688</u>	<u>333,018</u>

## 11 Called up share capital

	2005	2004
	£	£
<b>Authorised</b>		
15,000 Preference shares of £1.00 each	15,000	15,000
17,737 'A' Ordinary shares of £1.00 each	17,737	17,737
16,047 'B' Ordinary shares of £1.00 each	16,047	16,047
16,216 'C' Ordinary shares of £1.00 each	16,216	16,216
	<u>65,000</u>	<u>65,000</u>
<b>Allotted, called up and fully paid</b>		
15,000 Preference shares of £1.00	15,000	15,000
17,737 'A' Ordinary shares of £1.00 each	17,737	17,737
16,047 'B' Ordinary shares of £1.00 each	16,047	16,047
	<u>48,784</u>	<u>48,784</u>

## Amounts attributable to non- equity shareholders

The articles of the company state that on a return of assets on liquidation or otherwise, the assets of the company remaining after the payment of its liabilities shall be applied firstly, in paying to the holders of the preference shares in aggregate the sum of £769,124 being equal to the net asset value of the company as disclosed in the statutory audited balance of such assets shall be distributed amongst the ordinary shareholders.

Under the going concern basis, the arrangements on the liquidation basis are ignored in disclosing non-equity interests.



# Wm McKinnon & Company Limited

## Accountant's Report to the Shareholders of Wm McKinnon & Company Limited for the year ended 30 September 2005

As described on pages 4 to 5, the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit. In accordance with their instructions and in order to assist the directors to fulfil their responsibilities, I have prepared the accounts on pages 3 to 11 from the accounting records and from the information and explanations supplied to me.

As I have not performed an audit I do not provide any assurance that the accounts show a true and fair view, which remains the sole responsibility of the directors.

*Barbara Cresswell*

**Barbara Cresswell**  
**Chartered Accountant**

7 Baillieswells Grove, Bieldside  
Aberdeen, AB15 9BH.

18 July 2006

12  
112  
116

**ADDITIONAL INFORMATION**

The additional information on pages 14 to 16 has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the accountant's report thereon.

# Wm. McKinnon & Company Limited

## Trading Profit and Loss Account For the year ended 30th September 2005

	Note	2005 £	2004 £
SALES	1	-	-
Cost of sales	2	-	-
GROSS PROFIT		-	-
LESS: OVERHEADS			
Office	3	-	-
Establishment	4	-	-
Motor	5	-	-
General	6	-	4334
Financial	7	16,670	16,777
		(16,670)	(21,111)
NET TRADING (LOSS) FOR THE YEAR		(16,670)	(21,111)
NET TRADING (LOSS) FOR THEN YEAR		(16,670)	(21,111)
ADD OTHER INCOME			
Interest receivable & similar income	8	-	-
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(16,670)	(21,111)

# **Wm. McKinnon & Company Limited**

## **Notes to trading Profit and Loss Account For the year ended 30<sup>th</sup> September 2005**

	2005 £	2004 £
<b>1 Sales</b>		
Sales	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<b>2 Cost of Sales</b>		
Purchases	-	-
	<hr/>	<hr/>
<b>3 OFFICE EXPENSES</b>		
Staff costs Directors remuneration	-	-
Pensions costs (inc admin fees)	-	-
Telephone	-	-
Postage and stationery	-	-
Depreciation on office equipment	-	-
	<hr/>	<hr/>
<b>ESTABLISHMENT EXPENSES</b>		
Heat light and power	-	-
<b>MOTOR EXPENSES</b>		
Motor expenses	-	-
	<hr/>	<hr/>