

# **Longthorn Farms Limited**

## **Annual Report for the year ended 30 September 2000**

Registered no: SC 127175



# **Longthorn Farms Limited**

## **Annual Report**

**for the year ended 30 September 2000**

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# **Longthorn Farms Limited**

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## **Directors and advisers**

### **Directors**

George Alan More Nisbett  
John Cumming Craig  
Bruce George Andrew Mickel  
Mrs Patrea Evelyn More Nisbett

### **Secretary and registered office**

Alexander Robert Smith  
126 West Regent Street  
Glasgow  
G2 2BH

### **Solicitors**

Turcan Connell WS  
Princes Exchange  
1 Earl Grey Street  
Edinburgh  
EH3 9EE

### **Bankers**

Adam & Co plc  
22 Charlotte Square  
Edinburgh  
EH2 4DF

## **Directors' report for the year ended 30 September 2000**

The directors present their report and financial statements for the year ended 30 September 2000.

### **Principal activities**

The profit and loss account for the year is set out on page 4.

The principal activity of the company is owning property and the management thereof.

### **Review of business and future developments**

The directors consider the results for the year to be satisfactory and expect that the present level of activity will be sustained for the foreseeable future.

### **Option to purchase**

An option to purchase the investment land owned by the company was granted to The New Monktonhall Group Limited on 19 October 1998. The option lapsed and The New Monktonhall Group Limited is now in the process of being struck off.

The Standard Security recorded on 22 October 1998 over the property in favour of The New Monktonhall Group Limited securing the company's obligations was discharged on 2 March 2001.

Messrs John C Craig and Bruce G A Mickel are directors of The New Monktonhall Group Limited. Mr G A More Nisbett is director and shareholder of The New Monktonhall Group Limited.

Under the terms of a shareholders agreement dated 19 February 1999, as a result of the lapsing of the option granted to The New Monktonhall Group Limited, Mactaggart & Mickel Limited now have an option to purchase the investment land owned by the Company. This option will lapse on 31 December 2015.

### **Dividend and transfers to reserves**

The directors do not recommend the payment of a dividend in respect of the year ended 30 September 2000. The gain for the year, after tax, of £1,033 will be transferred to reserves.

### **Changes in fixed assets**

Land held for investment purposes is set out in note 5 to the financial statements. There have been no changes to fixed assets during the year.

## Directors' report (continued)

The interests of the directors at 30 September 2000 in the shares of the company were as follows:

**Ordinary shares of £1 each**  
**1 October 1999 and 30 September 2000**

	Number	Nominal value £
George Alan More Nisbett	4	4
John Cumming Craig	-	-
Bruce George Andrew Mickel	-	-
Mrs Patrea Evelyn More Nisbett	-	-
	<u>4</u>	<u>4</u>

George Alan More Nisbett also has an interest in 46 shares (1999 - 46 shares), held by the G A More Nisbett 1990 No.1 and G A More Nisbett 1990 No.2 Trusts.

### Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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 of the company for that period

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 September 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board

A Smith

Secretary

Dated 25 September 2001

**Profit and loss account  
for the year ended 30 September 2000**

	Notes	2000 £	1999 £
<b>Other income</b>			
Investment income	2	1,436	1,435
Sundry income	2	<u>1,000</u>	<u>-</u>
		<b>2,436</b>	<b>1,435</b>
Other expenses		<u>(1,402)</u>	<u>(3,847)</u>
<b>Profit / (Loss) on ordinary activities before interest</b>		<b>1,034</b>	<b>(2,412)</b>
Interest payable and other charges		<u>(1)</u>	<u>-</u>
<b>Profit / (Loss) on ordinary activities before taxation</b>		<b>1,033</b>	<b>(2,412)</b>
Taxation	4	<u>-</u>	<u>7</u>
<b>Retained profit / (loss) for the year</b>		<u><b>1,033</b></u>	<u><b>(2,405)</b></u>

All the results relate to continuing activities

There is no difference between the profit on ordinary activities before taxation and the retained profits for the year stated above, and their historical cost equivalents.

**Balance sheet at 30 September 2000**

	Notes	2000 £	1999 £
<b>Fixed assets</b>			
Investment property	5	<u>260,000</u>	<u>260,000</u>
<b>Current assets</b>			
Debtors	6	478	478
Cash at bank	7	<u>2,601</u>	<u>2,939</u>
		<u>3,079</u>	<u>3,417</u>
<b>Creditor</b> amounts falling due within one year	8	<u>4,508</u>	<u>5,879</u>
<b>Net current assets</b>		<u>(1,429)</u>	<u>(2,462)</u>
<b>Provisions for liabilities and charges</b>			
Provision for deferred taxation	9	<u>53,452</u>	<u>53,914</u>
<b>Total asset less current liabilities</b>		<u><u>205,119</u></u>	<u><u>203,624</u></u>
		£	£
<b>Capital and reserves</b>			
Called-up share capital	10	100	100
Revaluation reserve	12	206,538	206,076
Profit and loss account	12	<u>(1,519)</u>	<u>(2,552)</u>
<b>Equity shareholders' funds</b>	11	<u><u>205,119</u></u>	<u><u>203,624</u></u>

## Balance sheet at 30 September 2000 (continued)

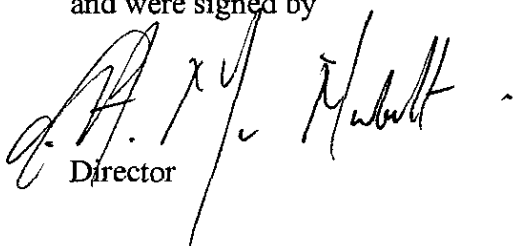
Advantage has been taken of the audit exemptions available for small companies conferred by Section 249A(1) of the Companies Act 1985 on the grounds:

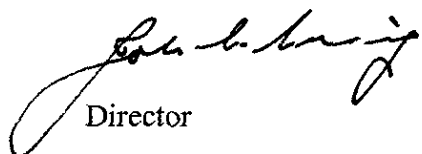
- (a) that for the year ended 30 September 2000 the company was entitled to the exemption from a statutory audit under section 249A(1) of the Companies Act 1985; and
- (b) that no notice has been deposited under section 249B(2) of the Companies Act 1985 in relation to the financial statements for the financial year.

The directors acknowledges their responsibilities for:

- (a) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 September 2000 and of its profit for the year then ended in accordance with the requirement of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements on pages 4 to 13 were approved by the board on 25 September 2001 and were signed by

  
Director

  
Director



# Longthorn Farms Limited

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## Statement of total recognised gains and losses

	2000 £	1999 £
Profit / (loss) for the financial year after taxation	1,033	(2,405)
Unrealised surplus on revaluation of property	<u>462</u>	<u>958</u>
<b>Total recognised profits / (losses) relating to the year</b>	<b><u>1,495</u></b>	<b><u>(1,447)</u></b>

## Notes to the financial statements for the year ended 30 September 2000

### 1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below. Compliance with SSAP 19 "Accounting for Investment Properties" requires departure from the requirement of the Companies Act 1985 relating to depreciation and an explanation of this departure is given below.

#### Fixed asset investments

The fixed assets relate to land which has been classified as investment property. In accordance with SSAP 19 the investment property is not depreciated and is revalued annually with the aggregate surplus of deficit being transferred to a revaluation reserve. The requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

#### Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, as modified by the revaluation of investment property.

#### Investment income

Income from investments is included in the profit and loss account on an accruals basis.

#### Taxation

The charge for taxation is based on the profit for the year as adjusted for disallowable items, and for timing differences to the extent that they are likely to result in an actual tax liability in the foreseeable future. Timing differences arise from the recognition for tax purposes of certain items of income and expenses in a different accounting period from that in which they are recognised in the financial statements. The tax effect of these and other timing differences as reduced by the tax benefit of any accumulated losses is treated as a deferred tax liability.

Timing differences relating to fixed asset revaluations are set against the revaluation reserve in accordance with SSAP 15

**Notes to the financial statements (continued)  
for the year ended 30 September 2000****Cashflow statement**

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a Cashflow statement.

**2 Other income**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Investment income represents rental income: United Kingdom	<u><b>1,436</b></u>	<u><b>1,435</b></u>
Sundry income represents receipts for: Granting of Superior's Consent	<u><b>1,000</b></u>	<u><b>-</b></u>

**3 Employee information**

There were no employees of the company during the year, other than the directors, who received no emoluments.

**4 Tax on profit on ordinary activities**

The tax refund is based on the profit on ordinary activities for the year and comprises:-

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
United Kingdom corporation tax at 20% (1999:20.5%)		
Current year	-	-
Over-provision in prior year.	<u>-</u>	<u>7</u>
	<u><b>-</b></u>	<u><b>7</b></u>

**Notes to the financial statements (continued)**  
**for the year ended 30 September 2000**

**5 Fixed asset investments**

	2000	1999
	£	£
<b>Valuation</b>		
At 30 September 1999 and at 30 September 2000	<u>260,000</u>	<u>260,000</u>

SSAP 19 requires that investment properties be revalued annually. The property was last valued at 30 September 1998, by independent surveyors, Davidson & Robertson. The directors believe this valuation is still relevant and have not had the property revalued at 30 September 2000. The previous valuation was made by the District Valuer in March 1993. If the investment property had not been revalued, it would have been included at the following amounts:

	2000	1999
	£	£
Cost	10	10
Aggregate depreciation based on cost	<u>-</u>	<u>-</u>
<b>Net book value based on cost</b>	<u>10</u>	<u>10</u>
<b>Investment property comprises:</b>		
Freehold land	<u>260,000</u>	<u>260,000</u>

**6 Debtors**

	2000	1999
	£	£
Amounts falling due within one year:		
Other debtors	<u>478</u>	<u>478</u>

**7 Cash at bank**

	2000	1999
	£	£
Current account	<u>2,601</u>	<u>2,939</u>

**Notes to the financial statements (continued)  
for the year ended 30 September 2000**

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

	2000	1999
	£	£
Accruals and deferred income	4,508	5,879
Corporation tax	-	-
	<u>4,508</u>	<u>5,879</u>

**9 Deferred taxation**

As disclosed in note 14, the directors have granted an option to purchase investment land which has been revalued at 30 September 2000 and it is probable it will be disposed of in the foreseeable future. Accordingly, the revalued amounts constitute a timing difference as defined by SSAP 15 and the potential amounts of deferred tax have been quantified based on a tax rate of 30%. This has been set against the revaluation reserve.

**10 Called up share capital**

	2000	1999
	£	£
<b>Authorised:</b>		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	£	£
<b>Allotted, called up and fully paid:</b>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**Notes to the financial statements (continued)  
for the year ended 30 September 2000**

**11 Reconciliation of movement in shareholders' funds**

	2000 £	1999 £
Profit / (Loss) for the financial year	1,033	(2,405)
Revaluation reserve increase	462	958
Opening shareholders' funds	<u>203,624</u>	<u>205,071</u>
<b>Closing shareholders' funds</b>	<u><b>205,119</b></u>	<u><b>203,624</b></u>

The change in the revaluation reserve during the year relates to an adjustment to the deferred taxation provision.

**12 Reserves**

	Revaluation Reserve	Profit & loss Account
At 1 October 1999	206,076	(2,552)
Retained profit for the year	-	1,033
Revaluation reserve increase	<u>462</u>	<u>-</u>
<b>Closing shareholders' funds</b>	<u><b>206,538</b></u>	<u><b>(1,519)</b></u>

**13 Related party transactions**

Investment income of £1,435 was received from George Alan More Nisbett, a director of the company, for the year ended 30 September 2000 (1999 £1,435). This relates to the rental of agricultural land held by the company. A full market value rent was charged. Rents of £478 (1999: £478) were receivable at 30 September 2000. There were no other related party transactions.

**Notes to the financial statements (continued)  
for the year ended 30 September 2000**

**15      Option to purchase**

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