

Registration number SC167292

Eilean Aigas Limited
Director's report and financial statements
for the year ended 31 July 2011

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Eilean Aigas Limited

Company information

| | |
|-------------------|---|
| Directors | Mango Ridge LLC Kathryn Logan Clouston |
| Secretary | Brodies Secretarial Services Limited |
| Company number | SC167292 |
| Registered office | 15 Atholl Crescent EDINBURGH EH3 8HA |
| Auditors | MacKenzie Kerr Chartered Accountants and Statutory Auditors 19 Culduthel Road Inverness IV2 4AA |
| Solicitors | Brodies LLP 15 Atholl Crescent EDINBURGH EH3 8HA |

Eilean Aigas Limited

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Eilean Aigas Limited

Director's report for the year ended 31 July 2011

The directors present their report and the financial statements for the year ended 31 July 2011.

Principal activity

The principal activity of the company in the year under review was that of running the estate known as Eilean Aigas Estate, by Beaulieu, Inverness-shire. The company is a wholly owned subsidiary of Mango Ridge LLC.

Directors

The directors who served during the year are as stated below:

Mango Ridge LLC

Kathryn Logan Clouston - appointed 15 April 2011

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

MacKenzie Kerr are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Eilean Aigas Limited

**Director's report
for the year ended 31 July 2011**

..... continued

This report was approved by the Board on and signed on its behalf by

 as Director, 26-04-12

Brodies Secretarial Services Limited
Secretary



25-04-2012

Kathryn Logan Clouston
Director

**Independent auditor's report to the shareholders of
Eilean Aigas Limited**

We have audited the financial statements of Eilean Aigas Limited for the year ended 31 July 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1 - 2, 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.

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 Director's report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of 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 July 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006.

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the shareholders of
Eilean Aigas Limited**

.....continued

Matters on which we are required to report by exception

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.



**Mark D Sanderson BSc(Hons),CA (senior statutory auditor)
For and on behalf of MacKenzie Kerr
Chartered Accountants and Statutory Auditors**

27th April 2012

**19 Culduthel Road
Inverness
IV2 4AA**

Eilean Aigas Limited

**Profit and loss account
for the year ended 31 July 2011**

| | | 2011 | 2010 |
|--|-----------|--------------------|--------------------|
| | Notes | £ | £ |
| Turnover | 2 | <u>-</u> | <u>300</u> |
| Administrative expenses | | (472,549) | (467,165) |
| Operating loss | 3 | (472,549) | (466,865) |
| Other interest receivable and similar income | | <u>2</u> | <u>2</u> |
| Loss on ordinary activities before taxation | | (472,547) | (466,863) |
| Tax on loss on ordinary activities | | <u>-</u> | <u>-</u> |
| Loss for the year | 10 | (472,547) | (466,863) |
| Accumulated loss brought forward | | (3,161,017) | (2,694,154) |
| Accumulated loss carried forward | | <u>(3,633,564)</u> | <u>(3,161,017)</u> |

The notes on pages 7 to 10 form an integral part of these financial statements.

Eilean Aigas Limited

**Balance sheet
as at 31 July 2011**

| | Notes | 2011 £ | 2010 £ |
|--|-------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 19,847,999 | 20,301,014 |
| Current assets | | | |
| Debtors | 6 | 1,070 | 95 |
| Cash at bank and in hand | | - | 921 |
| | | <u>1,070</u> | <u>1,016</u> |
| Creditors: amounts falling due within one year | 7 | <u>(23,834)</u> | <u>(10,800)</u> |
| Net current liabilities | | <u>(22,764)</u> | <u>(9,784)</u> |
| Total assets less current liabilities | | 19,825,235 | 20,291,230 |
| Creditors: amounts falling due after more than one year | 8 | <u>(23,458,797)</u> | <u>(23,452,245)</u> |
| Deficiency of assets | | <u>(3,633,562)</u> | <u>(3,161,015)</u> |
| Capital and reserves | | | |
| Called up share capital | 9 | 2 | 2 |
| Profit and loss account | 10 | <u>(3,633,564)</u> | <u>(3,161,017)</u> |
| Shareholders' funds | | <u>(3,633,562)</u> | <u>(3,161,015)</u> |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies.

The financial statements were approved by the Board on and signed on its behalf by

Kathryn Logan Clouston
Director

Kathryn Clouston

Registration number SC167292

25 - April - 2012

The notes on pages 7 to 10 form an integral part of these financial statements.

Eilean Aigas Limited

Notes to the financial statements for the year ended 31 July 2011

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

| | | |
|---------------------|---|----------------------|
| Land and buildings | - | 2% Straight line |
| Plant and machinery | - | 25% Reducing balance |

1.4. Deferred taxation

Eilean Aigas Limited

Notes to the financial statements for the year ended 31 July 2011

..... continued

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;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

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.

1.5. Going concern

The company has net liabilities at the balance sheet date. However, the parent company has undertaken to make funds available to enable the company to meet its liabilities as they fall due and as a result the director considers the going concern basis of accounts production to be appropriate.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating loss

| | 2011 | 2010 |
|--|-------------------|-------------------|
| | £ | £ |
| Operating loss is stated after charging: | | |
| Depreciation and other amounts written off tangible assets | 453,015 | 453,373 |
| Auditors' remuneration (Note 4) | 2,100 | 1,800 |
| | <u> </u> | <u> </u> |

Eilean Aigas Limited

**Notes to the financial statements
for the year ended 31 July 2011**

..... continued

4. Auditors' remuneration

| | 2011 | 2010 |
|--|--------------|--------------|
| | £ | £ |
| Auditors' remuneration - audit of the financial statements | <u>2,300</u> | <u>2,100</u> |

| 5. Tangible fixed assets | Land and buildings freehold | Plant and machinery | Fixtures, fittings and equipment | Total |
|---------------------------------|--|--------------------------------|---|-------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 August 2010 | 22,597,186 | 13,558 | 755 | 22,611,499 |
| At 31 July 2011 | <u>22,597,186</u> | <u>13,558</u> | <u>755</u> | <u>22,611,499</u> |
| Depreciation | | | | |
| At 1 August 2010 | 2,300,462 | 9,268 | 755 | 2,310,485 |
| Charge for the year | 451,943 | 1,072 | - | 453,015 |
| At 31 July 2011 | <u>2,752,405</u> | <u>10,340</u> | <u>755</u> | <u>2,763,500</u> |
| Net book values | | | | |
| At 31 July 2011 | <u>19,844,781</u> | <u>3,218</u> | <u>-</u> | <u>19,847,999</u> |
| At 31 July 2010 | <u>20,296,724</u> | <u>4,290</u> | <u>-</u> | <u>20,301,014</u> |

| 6. Debtors | 2011 | 2010 |
|-------------------|--------------|-------------|
| | £ | £ |
| Other debtors | <u>1,070</u> | <u>95</u> |

| 7. Creditors: amounts falling due within one year | 2011 | 2010 |
|--|---------------|---------------|
| | £ | £ |
| Other creditors | 4,942 | 6,500 |
| Accruals and deferred income | 18,892 | 4,300 |
| | <u>23,834</u> | <u>10,800</u> |

Eilean Aigas Limited

**Notes to the financial statements
for the year ended 31 July 2011**

..... continued

| | | |
|---|--|--------------------|
| 8. Creditors: amounts falling due after more than one year | 2011 £ | 2010 £ |
| Amount owed to parent company | 23,458,797 | 23,452,245 |
| | <u> </u> | <u> </u> |
| 9. Share capital | 2011 £ | 2010 £ |
| Allotted, called up and fully paid | | |
| 2 Ordinary shares of £1 each | 2 | 2 |
| | <u> </u> | <u> </u> |
| 10. Reserves | Profit and loss account £ | Total £ |
| At 1 August 2010 | (3,161,017) | (3,161,017) |
| Loss for the year | (472,547) | (472,547) |
| At 31 July 2011 | (3,633,564) | (3,633,564) |
| | <u> </u> | <u> </u> |

11. Ultimate parent undertaking

The ultimate holding company is Mango Ridge LLC, a company registered in the USA.