

**Dumfries Estate (Pennyfadzeoch)  
Limited**

Directors' report and financial  
statements

Registered number SC261877 (Scotland)

31 March 2010

WEDNESDAY



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## Directors' report

The directors present their report and financial statements for the year ended 31 March 2010.

### Principal activities

The principal activity of the company was estate ownership and management. On 31<sup>st</sup> March 2010, the company transferred its land to Dumfries Estate (Orchardton) Limited at book value.

### Results

There was a loss for the financial year to 31 March 2010 of £2,720 (2009: loss £4,419), details of which are set out on page 5. No dividends were paid or proposed in the year (2009: £nil). There were no political or charitable donations in the year (2009: £nil)

### Directors

The directors who held office during the year were as follows:

Leslie J Ferrar  
Sir Michael C G Peat, KCVO

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



Leslie Ferrar  
Secretary

15 Exchange Place  
Glasgow  
G1 3AN

Company Number SC261877

27 September 2010

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Dumfries Estate (Pennyfadzeoch) Limited**

We have audited the financial statements of Dumfries Estate (Pennyfadzeoch) Limited for the year ended 31<sup>st</sup> March 2010 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **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<sup>st</sup> March 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

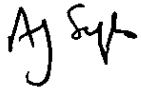
### **Opinion on other matter prescribed by the Companies Act 2006**

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.

**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.



**AJ Sykes (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
UK

27 September 2010

**Profit and loss account**  
*for the year ended 31 March 2010*

	<i>Note</i>	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
<b>Turnover</b>	<i>1</i>	<b>1,099</b>	<b>4,000</b>
Administrative expenses		<b>(2,802)</b>	<b>(4,140)</b>
<b>Operating loss</b>		<b>(1,703)</b>	<b>(140)</b>
Interest payable and similar charges	<i>2</i>	<b>(1,045)</b>	<b>(4,279)</b>
<b>Loss on ordinary activities before taxation</b>	<i>3</i>	<b>(2,748)</b>	<b>(4,419)</b>
Tax on loss on ordinary activities	<i>4</i>	<b>28</b>	<b>-</b>
<b>Loss for the financial year</b>		<b>(2,720)</b>	<b>(4,419)</b>

In both the current and preceding year all results rose from continuing operations. There is no difference to the results under an historic cost basis. The notes on pages 7 to 11 form part of these financial statements.

There are no recognised gains or losses other than those included above.

## Balance sheet

At 31 March 2010

	Note	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	5		-		127,953
<b>Current assets</b>					
Debtors	6	137,043		314	
Cash at bank and in hand		1,580		2,123	
		<u>138,623</u>		<u>2,437</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(114,888)</u>		<u>(113,024)</u>	
<b>Net current assets</b>			23,735		(110,587)
<b>Total assets less current liabilities</b>			23,735		17,366
<b>Net assets</b>			<u>23,735</u>		<u>17,366</u>
<b>Capital and reserves</b>					
Called up share capital	8		2		2
Revaluation reserve	9		-		23,733
Profit and loss account	9		23,733		(6,369)
<b>Shareholders' funds</b>	10		<u>23,735</u>		<u>17,366</u>

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

These financial statements were approved by the board of directors on 27/9/10 and were signed on its behalf by:

*Leslie Ferrar*

**Leslie Ferrar**  
 Director



## **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 financial statements, except as noted below.

#### ***Basis of preparation***

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

The Directors have a reasonable expectation that the company has adequate resources to enable it to meet its obligations as they fall due. Consequently they continue to adopt the going concern basis of accounting preparation in the annual financial statements.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

As the Company is a wholly owned subsidiary of The Prince's Charities Foundation, the Company has taken advantage of the exemption contained in FRS 8 not to disclose related party transactions or balances with entities which form part of the group which are eliminated on consolidation.

#### ***Fixed assets and depreciation***

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives.

No depreciation is provided on freehold land.

#### ***Taxation***

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Deferred tax assets are recognised only to the extent that the directors consider it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference 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 subsequently enacted at the balance sheet date.

#### ***Turnover***

Turnover represents amounts receivable from rental of grazing land net of VAT.

## Notes (continued)

### 2 Interest payable and similar charges

	2010 £	2009 £
Interest on intercompany loans	1,045	4,279
	<u>1,045</u>	<u>4,279</u>

### 3 Loss on ordinary activities before taxation

The directors received no remuneration for the year (2009: £nil). Losses on ordinary activities before taxation are stated after:

	2010 £	2009 £
Auditors remuneration	1,000	1,000

### 4 Taxation

#### Analysis of charge in period

	2010 £	2009 £
<i>UK corporation tax</i>		
Current tax on income for the period at 21 % (2009: 21%)	-	-
Total current tax	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

#### Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2009: higher) than the standard rate of corporation tax in the UK (21%, 2009: 21 %). The differences are explained below.

	2010 £	2009 £
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(2,720)	(4,419)
Current tax at 21% (2009: 21 %)	<u>(571)</u>	<u>(928)</u>
<i>Effects of:</i>		
Losses not recognised for deferred tax purposes in the period	571	928
Total current tax charge	<u>-</u>	<u>-</u>

#### Factors that may affect future current and total tax charges

There was no provision for deferred taxation as at 31 March 2010. No deferred tax asset has been recognised due to the uncertainty surrounding its recoverability.

## Notes (continued)

### 5 Tangible fixed assets

	Land £
<i>Cost or valuation</i>	
At 1 April 2009	127,953
Disposals	(127,953)
At 31 March 2010	-
	<hr/>
<i>Depreciation</i>	
At 1 April 2009 and 31 March 2010	-
	<hr/>
<i>Net book value</i>	
At 31 March 2010	-
	<hr/> <hr/>
At 31 March 2009	127,953
	<hr/> <hr/>

### 6 Debtors

	2010 £	2009 £
Other debtors	-	314
Amounts owed by fellow subsidiary company	127,953	-
Amounts owed by parent company	9,090	-
	<hr/>	<hr/>
	137,043	314
	<hr/> <hr/>	<hr/> <hr/>

### 7 Creditors: amounts falling due within one year

	2010 £	2009 £
Trade creditors	2,105	993
Amounts due to parent undertaking	111,768	110,723
Accruals and deferred income	1,000	1,308
VAT liability	15	-
	<hr/>	<hr/>
	114,888	113,024
	<hr/> <hr/>	<hr/> <hr/>

## Notes (continued)

### 8 Called up share capital

	2010 £	2009 £
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

### 9 Reconciliation of movement on reserves

	Profit and loss account £	Revaluation Reserve £	Total £
At beginning of year	(6,369)	23,733	17,364
Loss for the year	(2,720)	-	(2,720)
Capital contribution	9,089	-	9,089
Disposal of land	23,733	(23,733)	-
	<u>23,733</u>	<u>-</u>	<u>23,733</u>
<b>At end of year</b>	<b>23,733</b>	<b>-</b>	<b>23,733</b>

### 10 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Opening shareholders' funds	17,366	21,785
Capital contribution	9,089	-
Loss for the year	(2,720)	(4,419)
	<u>23,735</u>	<u>17,366</u>
Closing shareholders' funds	23,735	17,366

**Notes** *(continued)*

**11 Parent undertaking of larger group of which the company is a member**

The Company is a wholly owned subsidiary undertaking of The Prince's Charities Foundation (Registered Charity Number 1127255, Company Number 06777589), which prepares consolidated financial statements.

The consolidated financial statements of this group are available to the public and may be obtained from The Charity Commission, PO Box 1227, Liverpool, L69 3UG.