

**Prestonfield House Hotel Limited**  
**Abbreviated Financial Statements**  
**For**  
**30th September 2000**

**Company Registration Number 34405**

**CARTERS**  
Chartered Accountants & Registered Auditors  
Pentland House  
Saltire Centre  
Glenrothes  
Fife  
KY6 2AH



**Prestonfield House Hotel Limited**  
**Abbreviated Financial Statements**  
**Year Ended 30th September 2000**

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# **Prestonfield House Hotel Limited**

## **Officers and Professional Advisers**

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### **The Board of Directors**

Captain A R G Stevenson  
Mr D Birrell WS  
Mr C Stevenson  
Mr D Stevenson  
Mrs S Orton  
Mrs J Stevenson

### **Company Secretary**

Turcan Connell WS

### **Registered Office**

Prestonfield House  
Priestfield Road  
Edinburgh  
EH16 5UT

### **Auditors**

Carters  
Chartered Accountants  
& Registered Auditors  
Pentland House  
Saltire Centre  
Glenrothes  
Fife  
KY6 2AH

### **Bankers**

Clydesdale Bank plc  
22 Newington Road  
Edinburgh  
EH9 1QS

### **Solicitors**

Turcan Connell WS  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EF

# **Prestonfield House Hotel Limited**

## **Auditors' Report to the Company**

**Pursuant to Section 247b of the Companies Act 1985**

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We have examined the abbreviated accounts on pages 5 to 14, together with the financial statements of the company for the year ended 30th September 2000 prepared under Section 226 of the Companies Act 1985.

### **Respective Responsibilities of the Directors and the Auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

### **Basis of Opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 14 are properly prepared in accordance with those provisions.



CARTERS  
Chartered Accountants  
& Registered Auditors  
Pentland House  
Saltire Centre  
Glenrothes  
Fife  
KY6 2AH

23/5/01

# **Prestonfield House Hotel Limited**

## **The Directors' Report Year Ended 30th September 2000**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th September 2000.

### **Principal Activities and Business Review**

The principal activity of the company during the year was that of a holding company for group members whose principal activities were those of restaurateurs, hoteliers and agency supplying entertainers

### **Results and Dividends**

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

### **The Directors and their Interests in Shares of the Company**

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

|                         | <b>Ordinary Shares of £1 each</b> |                          |
|-------------------------|-----------------------------------|--------------------------|
|                         | <b>At 30 September 2000</b>       | <b>At 1 October 1999</b> |
| Captain A R G Stevenson | -                                 | -                        |
| Mr D Birrell WS         | -                                 | -                        |
| Mr C Stevenson          | 529,000                           | 529,000                  |
| Mr D Stevenson          | 281,750                           | 281,750                  |
| Mrs S Orton             | 281,750                           | 281,750                  |
| Mrs J Stevenson         | 57,500                            | 57,500                   |

In accordance with the articles of association Mr C Stevenson and Mr D Stevenson will retire by rotation and being eligible, will offer themselves for re-election.

### **Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# Prestonfield House Hotel Limited

## The Directors' Report *(continued)* Year Ended 30th September 2000

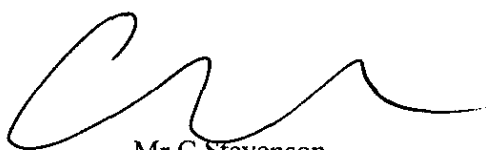
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### Directors' Responsibilities (continued)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

Registered office:  
Prestonfield House  
Priestfield Road  
Edinburgh  
EH16 5UT

Signed on behalf of the directors



Mr C Stevenson  
Director

Approved by the directors on 5.04.2001

**Prestonfield House Hotel Limited**

**Abbreviated Profit and Loss Account  
Year Ended 30th September 2000**

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|                                                      | Note     | 2000<br>£     | 1999<br>£     |
|------------------------------------------------------|----------|---------------|---------------|
| <b>Gross Profit</b>                                  |          | 182,899       | 200,400       |
| Administrative expenses                              |          | 99,543        | 113,514       |
| <b>Operating Profit</b>                              | <b>2</b> | 83,356        | 86,886        |
| Interest payable                                     | <b>5</b> | 54,221        | 59,153        |
| <b>Profit on Ordinary Activities Before Taxation</b> |          | 29,135        | 27,733        |
| Tax on profit on ordinary activities                 |          | -             | -             |
| <b>Retained Profit for the Financial Year</b>        |          | <u>29,135</u> | <u>27,733</u> |

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 9 to 14 form part of these financial statements.

**Prestonfield House Hotel Limited**

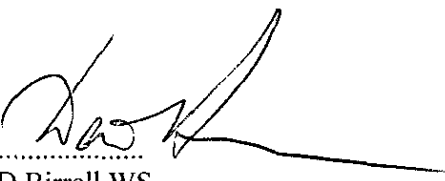
**Abbreviated Balance Sheet  
30th September 2000**

|                                                                | Note | 2000<br>£        | 1999<br>£        |
|----------------------------------------------------------------|------|------------------|------------------|
| <b>Fixed Assets</b>                                            |      |                  |                  |
| Tangible assets                                                | 7    | 2,490,948        | 2,529,751        |
| Investments                                                    | 8    | 180              | 180              |
|                                                                |      | <u>2,491,128</u> | <u>2,529,931</u> |
| <b>Current Assets</b>                                          |      |                  |                  |
| Debtors                                                        | 9    | 26,522           | -                |
| Creditors: Amounts Falling due Within One Year                 | 10   | <u>(275,531)</u> | <u>(185,399)</u> |
| <b>Net Current Liabilities</b>                                 |      | <u>(249,009)</u> | <u>(185,399)</u> |
| <b>Total Assets Less Current Liabilities</b>                   |      | <u>2,242,119</u> | <u>2,344,532</u> |
| <b>Creditors: Amounts Falling due after More than One Year</b> | 11   | <u>(516,071)</u> | <u>(647,619)</u> |
|                                                                |      | <u>1,726,048</u> | <u>1,696,913</u> |
| <b>Capital and Reserves</b>                                    |      |                  |                  |
| Called-up equity share capital                                 | 13   | 1,150,000        | 1,150,000        |
| Profit and Loss Account                                        | 14   | 576,048          | 546,913          |
| <b>Shareholders' Funds</b>                                     | 15   | <u>1,726,048</u> | <u>1,696,913</u> |

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 5.04.2001, and are signed on their behalf by:

  
.....  
Captain A R G Stevenson

  
.....  
Mr D Birrell WS

The notes on pages 9 to 14 form part of these financial statements.

**Prestonfield House Hotel Limited**

**Cash Flow Statement**

**Year Ended 30th September 2000**

|                                                         | 2000              | 1999              |
|---------------------------------------------------------|-------------------|-------------------|
|                                                         | £                 | £                 |
| <b>Net Cash Inflow From Operating Activities</b>        |                   |                   |
| Returns on Investments and                              |                   |                   |
| Servicing of Finance                                    |                   |                   |
| Interest paid                                           | (54,221)          | (59,153)          |
|                                                         | <u>          </u> | <u>          </u> |
| <b>Net Cash Outflow From Returns on Investments and</b> |                   |                   |
| <b>Servicing of Finance</b>                             | (54,221)          | (59,153)          |
| <b>Capital Expenditure</b>                              |                   |                   |
| Payments to acquire tangible fixed assets               | (1,622)           | (699)             |
|                                                         | <u>          </u> | <u>          </u> |
| <b>Net Cash Outflow From Capital Expenditure</b>        | (1,622)           | (699)             |
|                                                         | <u>          </u> | <u>          </u> |
| <b>Cash (Outflow)/Inflow Before Financing</b>           | (11,627)          | 248,163           |
| <b>Financing</b>                                        |                   |                   |
| Repayment of bank loans                                 | (111,309)         | (152,697)         |
|                                                         | <u>          </u> | <u>          </u> |
| <b>Net Cash Outflow From Financing</b>                  | (111,309)         | (152,697)         |
|                                                         | <u>          </u> | <u>          </u> |
| <b>(Decrease)/Increase in Cash</b>                      | <u>(122,936)</u>  | <u>95,466</u>     |
| <b>Reconciliation of Operating Profit to</b>            |                   |                   |
| <b>Net Cash Inflow From Operating Activities</b>        |                   |                   |
|                                                         | 2000              | 1999              |
|                                                         | £                 | £                 |
| Operating profit                                        | 83,356            | 86,886            |
| Depreciation                                            | 40,425            | 40,425            |
| (Increase)/Decrease in debtors                          | (26,522)          | 145,636           |
| (Decrease)/Increase in creditors                        | (53,043)          | 35,068            |
|                                                         | <u>          </u> | <u>          </u> |
| <b>Net cash inflow from operating activities</b>        | <u>44,216</u>     | <u>308,015</u>    |

The notes on pages 9 to 14 form part of these financial statements.

**Prestonfield House Hotel Limited**

**Cash Flow Statement *(continued)***  
**Year Ended 30th September 2000**

**Reconciliation of Net Cash Flow to Movement in Net Debt**

|                                           | 2000             | 1999             |
|-------------------------------------------|------------------|------------------|
|                                           | £                | £                |
| (Decrease)/Increase in cash in the period | (122,936)        | 95,466           |
| Net cash outflow from bank loans          | <u>111,309</u>   | <u>152,697</u>   |
|                                           | (11,627)         | 248,163          |
| <b>Change in net debt</b>                 | (11,627)         | 248,163          |
| <b>Net debt at 1st October 1999</b>       | (778,101)        | (1,026,264)      |
| <b>Net debt at 30th September 2000</b>    | <u>(789,728)</u> | <u>(778,101)</u> |

**Analysis of Changes in Net Debt**

|                        | At<br>1 Oct 1999 | Cash flows       | At<br>30 Sep 2000 |
|------------------------|------------------|------------------|-------------------|
|                        | £                | £                | £                 |
| Net cash:              |                  |                  |                   |
| Overdrafts             | <u>(29,292)</u>  | <u>(122,936)</u> | <u>(152,228)</u>  |
| Debt:                  |                  |                  |                   |
| Debt due within 1 year | (101,190)        | (20,239)         | (121,429)         |
| Debt due after 1 year  | <u>(647,619)</u> | <u>131,548</u>   | <u>(516,071)</u>  |
|                        | (748,809)        | 111,309          | (637,500)         |
| <b>Net debt</b>        | <u>(778,101)</u> | <u>(11,627)</u>  | <u>(789,728)</u>  |

The notes on pages 9 to 14 form part of these financial statements.

# **Prestonfield House Hotel Limited**

## **Notes to the Abbreviated Financial Statements Year Ended 30th September 2000**

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### **1. Accounting Policies**

#### **Basis of Accounting**

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

#### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### **Turnover**

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & fittings                      - 15% Straight Line  
Heritable property                      - depreciation is provided, when in the opinion of the directors, the estimated residual value becomes less than the carrying value of the asset. It is the company's policy to maintain heritable property in good condition. The directors consider this accounting policy is necessary to show a true and fair view.

#### **Pension Costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

### **2. Operating Profit**

Operating profit is stated after charging:

|                        | <b>2000</b>  | <b>1999</b>  |
|------------------------|--------------|--------------|
|                        | <b>£</b>     | <b>£</b>     |
| Depreciation           | 40,425       | 40,425       |
| Auditors' remuneration |              |              |
| - as auditors          | <u>1,450</u> | <u>1,450</u> |

## Prestonfield House Hotel Limited

### Notes to the Abbreviated Financial Statements Year Ended 30th September 2000

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#### 3. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

|                            | 2000     | 1999     |
|----------------------------|----------|----------|
|                            | No.      | No.      |
| Number of management staff | <u>6</u> | <u>6</u> |

The aggregate payroll costs of the above were:

|                       | 2000          | 1999          |
|-----------------------|---------------|---------------|
|                       | £             | £             |
| Wages and salaries    | 50,000        | 62,671        |
| Social security costs | 6,075         | 7,140         |
| Other pension costs   | 652           | 652           |
|                       | <u>56,727</u> | <u>70,463</u> |

#### 4. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

|                                                                  | 2000          | 1999          |
|------------------------------------------------------------------|---------------|---------------|
|                                                                  | £             | £             |
| Emoluments receivable                                            | 59,594        | 75,096        |
| Value of company pension contributions to money purchase schemes | 652           | 652           |
|                                                                  | <u>60,246</u> | <u>75,748</u> |

The number of directors who are accruing benefits under company pension schemes were as follows:

|                        | 2000     | 1999     |
|------------------------|----------|----------|
|                        | No.      | No.      |
| Money purchase schemes | <u>1</u> | <u>1</u> |

#### 5. Interest Payable

|                               | 2000          | 1999          |
|-------------------------------|---------------|---------------|
|                               | £             | £             |
| Other similar charges payable | <u>54,221</u> | <u>59,153</u> |

#### 6. Taxation

No tax charge arises on the results for the year due to the availability of capital allowances.

As stated in Note 13, no Deferred Taxation has been provided as the liability is not expected to crystallise in the foreseeable future.

# Prestonfield House Hotel Limited

## Notes to the Abbreviated Financial Statements Year Ended 30th September 2000

### 7. Tangible Fixed Assets

|                               | <b>Freehold<br/>Property<br/>£</b> | <b>Fixtures &amp;<br/>Fittings<br/>£</b> | <b>Total<br/>£</b> |
|-------------------------------|------------------------------------|------------------------------------------|--------------------|
| <b>Cost</b>                   |                                    |                                          |                    |
| At 1st October 1999           | 2,302,500                          | 328,076                                  | 2,630,576          |
| Additions                     | 1,622                              | -                                        | 1,622              |
| <b>At 30th September 2000</b> | <u>2,304,122</u>                   | <u>328,076</u>                           | <u>2,632,198</u>   |
| <b>Depreciation</b>           |                                    |                                          |                    |
| At 1st October 1999           | -                                  | 100,825                                  | 100,825            |
| Charge for the year           | -                                  | 40,425                                   | 40,425             |
| <b>At 30th September 2000</b> | <u>-</u>                           | <u>141,250</u>                           | <u>141,250</u>     |
| <b>Net Book Value</b>         |                                    |                                          |                    |
| <b>At 30th September 2000</b> | <u>2,304,122</u>                   | <u>186,826</u>                           | <u>2,490,948</u>   |
| At 30th September 1999        | <u>2,302,500</u>                   | <u>227,251</u>                           | <u>2,529,751</u>   |

In respect of assets stated at valuations, the comparable historical cost and depreciation values are as follows:

|                                               | <b>2000<br/>£</b> | <b>1999<br/>£</b> |
|-----------------------------------------------|-------------------|-------------------|
| <b>NBV of revalued tangible fixed assets:</b> |                   |                   |
| <b>Net book value at end of year</b>          | <u>2,304,122</u>  | <u>2,302,500</u>  |
| <b>Historical cost</b>                        | <u>1,350,871</u>  | <u>1,349,249</u>  |

The directors have chosen not to adopt a policy of revaluation of Fixed Assets and therefore apply the transitional rules of FRS 15.

The last independent revaluation was in 1995 when Freehold Property was valued at £1,200,000.

### 8. Investments

|                                             | <b>Shares in<br/>Group<br/>Undertakings<br/>£</b> |
|---------------------------------------------|---------------------------------------------------|
| <b>Cost</b>                                 |                                                   |
| At 1st October 1999 and 30th September 2000 | <u>180</u>                                        |
| <b>Net Book Value</b>                       |                                                   |
| <b>At 30th September 2000</b>               | <u>180</u>                                        |
| At 30th September 1999                      | <u>180</u>                                        |

## Prestonfield House Hotel Limited

### Notes to the Abbreviated Financial Statements Year Ended 30th September 2000

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#### 8. Investments *(continued)*

The company owns 90% of the issued share capital of Prestonfield Catering Ltd and 100% of the issued share capital of Prestonfield L'Aperitif Ltd.

|                                       | 1999<br>£ | 1998<br>£ |
|---------------------------------------|-----------|-----------|
| <b>Aggregate capital and reserves</b> |           |           |
| Prestonfield Catering Ltd             | (130,622) | (167,421) |
| Prestonfield L'Aperitif Ltd           | 100       | 100       |
| <b>Profit and (loss) for the year</b> |           |           |
| Prestonfield Catering Ltd             | 36,799    | 125,173   |
| Prestonfield L'Aperitif Ltd           | -         | -         |

#### 9. Debtors

|                                    | 2000<br>£     | 1999<br>£ |
|------------------------------------|---------------|-----------|
| Amounts owed by group undertakings | <u>26,522</u> | <u>-</u>  |

#### 10. Creditors: Amounts falling due within one year

|                                    | 2000<br>£      | 1999<br>£      |
|------------------------------------|----------------|----------------|
| Bank loans and overdrafts          | 273,657        | 130,482        |
| Amounts owed to group undertakings | -              | 22,992         |
| Other creditors                    | 1,874          | 20,705         |
| Accruals and deferred income       | -              | 11,220         |
|                                    | <u>275,531</u> | <u>185,399</u> |

The following liabilities disclosed under creditors falling due within one year are secured by the company:

|                           | 2000<br>£      | 1999<br>£      |
|---------------------------|----------------|----------------|
| Bank loans and overdrafts | <u>273,657</u> | <u>130,482</u> |

A Standard Security from Prestonfield House Hotel Limited exists over Prestonfield House and grounds.

The bank holds a Floating Charge over the assets and undertakings of Prestonfield House Hotel Limited.

#### 11. Creditors: Amounts falling due after more than one year

|                           | 2000<br>£      | 1999<br>£      |
|---------------------------|----------------|----------------|
| Bank loans and overdrafts | <u>516,071</u> | <u>647,619</u> |

# Prestonfield House Hotel Limited

## Notes to the Abbreviated Financial Statements Year Ended 30th September 2000

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### 11. Creditors: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

|                           | 2000<br>£      | 1999<br>£      |
|---------------------------|----------------|----------------|
| Bank loans and overdrafts | <u>516,071</u> | <u>647,619</u> |

A Standard Security from Prestonfield House Hotel Limited exists over Prestonfield House and grounds.

The bank holds a Floating Charge over the assets and undertakings of Prestonfield House Hotel Limited.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

|                           | 2000<br>£     | 1999<br>£      |
|---------------------------|---------------|----------------|
| Bank loans and overdrafts | <u>30,356</u> | <u>239,817</u> |

The bank loan is repayable by 84 monthly instalments commencing December 1998. Interest is charged at 2% above bank base rate.

### 12. Deferred Taxation

No provision has been made in the accounts and the amounts unprovided at the end of the year are as follows:

|                                                                 | 2000<br>£     | 1999<br>£     |
|-----------------------------------------------------------------|---------------|---------------|
| Excess of taxation allowances over depreciation on fixed assets | <u>74,340</u> | <u>67,365</u> |

### 13. Share Capital

#### Authorised share capital:

|                                         | 2000<br>£        | 1999<br>£        |
|-----------------------------------------|------------------|------------------|
| 1,150,000 Ordinary shares of £1.00 each | <u>1,150,000</u> | <u>1,150,000</u> |

#### Allotted, called up and fully paid:

|                        | 2000<br>£        | 1999<br>£        |
|------------------------|------------------|------------------|
| Ordinary share capital | <u>1,150,000</u> | <u>1,150,000</u> |

**Prestonfield House Hotel Limited**

**Notes to the Abbreviated Financial Statements  
Year Ended 30th September 2000**

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**14. Profit and Loss Account**

|                                        | <b>2000</b>    | <b>1999</b>    |
|----------------------------------------|----------------|----------------|
|                                        | <b>£</b>       | <b>£</b>       |
| Balance brought forward                | 546,913        | 519,180        |
| Retained profit for the financial year | 29,135         | 27,733         |
| Balance carried forward                | <u>576,048</u> | <u>546,913</u> |

**15. Reconciliation of Movements in Shareholders' Funds**

|                                    | <b>2000</b>      | <b>1999</b>      |
|------------------------------------|------------------|------------------|
|                                    | <b>£</b>         | <b>£</b>         |
| Profit for the financial year      | 29,135           | 27,733           |
| Opening shareholders' equity funds | <u>1,696,913</u> | <u>1,669,180</u> |
| Closing shareholders' equity funds | <u>1,726,048</u> | <u>1,696,913</u> |