

Company Registration No. SC126621 (Scotland)

**DELNABO ESTATE LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2005**



***Saffery Champness***  
CHARTERED ACCOUNTANTS

# **DELNABO ESTATE LIMITED**

## **COMPANY INFORMATION**

---

|                          |                                                                                     |
|--------------------------|-------------------------------------------------------------------------------------|
| <b>Directors</b>         | B A Yeowart<br>V I Yeowart                                                          |
| <b>Secretary</b>         | V I Yeowart                                                                         |
| <b>Company number</b>    | SC126621                                                                            |
| <b>Registered office</b> | 15 Atholl Crescent<br>Edinburgh<br>EH3 8HA                                          |
| <b>Accountants</b>       | Saffery Champness<br>Kintail House<br>Beechwood Park<br>Inverness<br>IV2 3BW        |
| <b>Business address</b>  | Estate Office<br>Tomintoul<br>Ballindalloch<br>Banffshire<br>AB37 9HT               |
| <b>Bankers</b>           | Bank of Scotland<br>Teviot House<br>41 South Gyle Crescent<br>Edinburgh<br>EH12 9XD |
| <b>Solicitors</b>        | Brodies LLP<br>15 Atholl Crescent<br>Edinburgh<br>EH3 8HA                           |

---

# **DELNABO ESTATE LIMITED**

## **CONTENTS**

---

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Directors' report                 | 1           |
| Accountants' report               | 2           |
| Profit and loss account           | 3           |
| Balance sheet                     | 4 - 5       |
| Notes to the financial statements | 6 - 10      |

---

# DELNABO ESTATE LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2005

---

The directors present their report and financial statements for the year ended 31 January 2005.

### Principal activities

The principal activity of the company continued to be that of the management of Delnabo Estate.

### Directors

The following directors have held office since 1 February 2004:

B A Yeowart

V I Yeowart

### Directors' interests

The directors' interests in the shares of the company were as stated below:

|             | Ordinary shares of £ 1 each |                 |
|-------------|-----------------------------|-----------------|
|             | 31 January 2005             | 1 February 2004 |
| B A Yeowart | 150,001                     | 150,001         |
| V I Yeowart | 150,001                     | 150,001         |

|             | Redeemable preference shares of £ 1 each |                 |
|-------------|------------------------------------------|-----------------|
|             | 31 January 2005                          | 1 February 2004 |
| B A Yeowart | -                                        | -               |
| V I Yeowart | -                                        | -               |

|             | Deferred shares of £ 1 each |                 |
|-------------|-----------------------------|-----------------|
|             | 31 January 2005             | 1 February 2004 |
| B A Yeowart | 150,000                     | 150,000         |
| V I Yeowart | 100,000                     | 100,000         |

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

On behalf of the board



V I Yeowart

Director

23/06/05

## **DELNABO ESTATE LIMITED**

### **ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF DELNABO ESTATE LIMITED**

---

In accordance with the current engagement letter and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Delnabo Estate Limited for the year ended 31 January 2005, set out on pages 3 to 10 from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

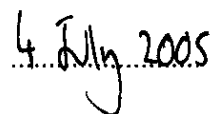
We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 January 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

  
**Saffery Champness**

**Chartered Accountants**

  
4 July 2005

Kintail House  
Beechwood Park  
Inverness  
IV2 3BW

**DELNABO ESTATE LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JANUARY 2005**

---

|                                                    |              | <b>2005</b> | <b>2004</b> |
|----------------------------------------------------|--------------|-------------|-------------|
|                                                    | <b>Notes</b> | <b>£</b>    | <b>£</b>    |
| <b>Turnover</b>                                    |              | 76,644      | 90,348      |
| Cost of sales                                      |              | (20,437)    | (20,038)    |
| <b>Gross profit</b>                                |              | 56,207      | 70,310      |
| Administrative expenses                            |              | (83,771)    | (91,711)    |
| <b>Operating loss</b>                              | <b>2</b>     | (27,564)    | (21,401)    |
| Other interest receivable and similar income       |              | 16,066      | 15,020      |
| <b>Loss on ordinary activities before taxation</b> |              | (11,498)    | (6,381)     |
| Tax on loss on ordinary activities                 | <b>3</b>     | -           | 16          |
| <b>Loss on ordinary activities after taxation</b>  | <b>10</b>    | (11,498)    | (6,365)     |

---

The notes on pages 6 to 10 form part of these financial statements.

**DELNABO ESTATE LIMITED****BALANCE SHEET****AS AT 31 JANUARY 2005**

|                                                                |       | 2005             |   | 2004             |   |
|----------------------------------------------------------------|-------|------------------|---|------------------|---|
|                                                                | Notes | £                | £ | £                | £ |
| <b>Fixed assets</b>                                            |       |                  |   |                  |   |
| Tangible assets                                                | 4     | 1,907,058        |   | 1,883,519        |   |
| <b>Current assets</b>                                          |       |                  |   |                  |   |
| Stocks                                                         |       | 16,558           |   | 14,651           |   |
| Debtors                                                        | 5     | 259,630          |   | 285,448          |   |
| Cash at bank and in hand                                       |       | 19,122           |   | 23,551           |   |
|                                                                |       | <u>295,310</u>   |   | <u>323,650</u>   |   |
| <b>Creditors: amounts falling due within one year</b>          | 6     | <u>(6,822)</u>   |   | <u>(3,486)</u>   |   |
| <b>Net current assets</b>                                      |       | <u>288,488</u>   |   | <u>320,164</u>   |   |
| <b>Total assets less current liabilities</b>                   |       | <u>2,195,546</u> |   | <u>2,203,683</u> |   |
| <b>Creditors: amounts falling due after more than one year</b> | 7     | (45,000)         |   | (45,000)         |   |
| <b>Accruals and deferred income</b>                            | 8     | <u>(11,341)</u>  |   | <u>(7,980)</u>   |   |
|                                                                |       | <u>2,139,205</u> |   | <u>2,150,703</u> |   |
| <b>Capital and reserves</b>                                    |       |                  |   |                  |   |
| Called up share capital                                        | 9     | 2,500,000        |   | 2,500,000        |   |
| Profit and loss account                                        | 10    | <u>(360,795)</u> |   | <u>(349,297)</u> |   |
| <b>Shareholders' funds</b>                                     |       | <u>2,139,205</u> |   | <u>2,150,703</u> |   |
| Equity interests                                               |       | 1,239,205        |   | 1,250,703        |   |
| Non-equity interests                                           |       | <u>900,000</u>   |   | <u>900,000</u>   |   |
|                                                                |       | <u>2,139,205</u> |   | <u>2,150,703</u> |   |

**DELNABO ESTATE LIMITED**

**BALANCE SHEET (continued)**  
**AS AT 31 JANUARY 2005**

---

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The notes on pages 6 to 10 form part of these financial statements.

The financial statements were approved by the Board on 23/04/05

  
.....  
B A Yeowart  
Director

  
.....  
V I Yeowart  
Director

# DELNABO ESTATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2005

---

### 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 June 2002).

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                                |                                       |
|--------------------------------|---------------------------------------|
| Land and buildings             | 0% - 2% pa on the straight line basis |
| Plant and machinery            | 25% pa on the reducing balance basis  |
| Fixtures, fittings & equipment | 15% pa on the reducing balance basis  |
| Motor vehicles                 | 25% pa on the reducing balance basis  |

|                                          |             |             |
|------------------------------------------|-------------|-------------|
| <b>2 Operating loss</b>                  | <b>2005</b> | <b>2004</b> |
|                                          | <b>£</b>    | <b>£</b>    |
| Operating loss is stated after charging: |             |             |
| Depreciation of tangible assets          | 9,263       | 8,124       |
| Auditors' remuneration                   | -           | 600         |
|                                          | <hr/>       | <hr/>       |

|                            |             |             |
|----------------------------|-------------|-------------|
| <b>3 Taxation</b>          | <b>2005</b> | <b>2004</b> |
|                            | <b>£</b>    | <b>£</b>    |
| Domestic current year tax  |             |             |
| Adjustment for prior years | -           | (16)        |
|                            | <hr/>       | <hr/>       |
| <b>Current tax charge</b>  | <b>-</b>    | <b>(16)</b> |
|                            | <hr/>       | <hr/>       |

**DELNABO ESTATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 JANUARY 2005****4 Tangible fixed assets**

|                       | <b>Land and<br/>buildings</b> | <b>Other<br/>tangible<br/>fixed assets</b> | <b>Total</b>     |
|-----------------------|-------------------------------|--------------------------------------------|------------------|
|                       | <b>£</b>                      | <b>£</b>                                   | <b>£</b>         |
| <b>Cost</b>           |                               |                                            |                  |
| At 1 February 2004    | 1,856,429                     | 138,214                                    | 1,994,643        |
| Additions             | 28,091                        | 4,711                                      | 32,802           |
|                       | <u>1,884,520</u>              | <u>142,925</u>                             | <u>2,027,445</u> |
| At 31 January 2005    |                               |                                            |                  |
| <b>Depreciation</b>   |                               |                                            |                  |
| At 1 February 2004    | 4,207                         | 106,917                                    | 111,124          |
| Charge for the year   | 1,118                         | 8,145                                      | 9,263            |
|                       | <u>5,325</u>                  | <u>115,062</u>                             | <u>120,387</u>   |
| At 31 January 2005    |                               |                                            |                  |
| <b>Net book value</b> |                               |                                            |                  |
| At 31 January 2005    | <u>1,879,195</u>              | <u>27,863</u>                              | <u>1,907,058</u> |
| At 31 January 2004    | <u>1,852,222</u>              | <u>31,297</u>                              | <u>1,883,519</u> |

**5 Debtors**

|               | <b>2005<br/>£</b> | <b>2004<br/>£</b> |
|---------------|-------------------|-------------------|
| Trade debtors | 2,323             | 2,256             |
| Other debtors | 257,307           | 283,192           |
|               | <u>259,630</u>    | <u>285,448</u>    |

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

|                              | <b>2005<br/>£</b> | <b>2004<br/>£</b> |
|------------------------------|-------------------|-------------------|
| Trade creditors              | 1,929             | 408               |
| Taxation and social security | 566               | 1,357             |
| Other creditors              | 4,327             | 1,721             |
|                              | <u>6,822</u>      | <u>3,486</u>      |

**DELNABO ESTATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 JANUARY 2005**

---

| <b>7</b> | <b>Creditors: amounts falling due after more than one year</b> | <b>2005<br/>£</b> | <b>2004<br/>£</b> |
|----------|----------------------------------------------------------------|-------------------|-------------------|
|          | Other creditors                                                | <u>45,000</u>     | <u>45,000</u>     |
|          | <b>Analysis of loans</b>                                       |                   |                   |
|          | Wholly repayable within five years                             | <u>45,000</u>     | <u>45,000</u>     |

The loans are unsecured, interest free and have no fixed terms of repayment.

**8 Accruals and deferred income**

|                                 | <b>Government<br/>grants<br/>£</b> |
|---------------------------------|------------------------------------|
| Balance at 1 February 2004      | 7,980                              |
| Grants received during the year | <u>3,361</u>                       |
| Balance at 31 January 2005      | <u>11,341</u>                      |

**DELNABO ESTATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 JANUARY 2005**

| <b>9 Share capital</b>                          | <b>2005</b>      | <b>2004</b>      |
|-------------------------------------------------|------------------|------------------|
|                                                 | <b>£</b>         | <b>£</b>         |
| <b>Authorised</b>                               |                  |                  |
| 1,750,000 Ordinary shares of £1 each            | 1,750,000        | 1,750,000        |
| 400,000 Redeemable preference shares of £1 each | 400,000          | 400,000          |
| 1,250,000 Deferred shares of £1 each            | 1,250,000        | 1,250,000        |
|                                                 | <u>3,400,000</u> | <u>3,400,000</u> |
| <b>Allotted, called up and fully paid</b>       |                  |                  |
| 1,600,000 Ordinary shares of £1 each            | 1,600,000        | 1,600,000        |
| 400,000 Redeemable preference shares of £1 each | 400,000          | 400,000          |
| 500,000 Deferred shares of £1 each              | 500,000          | 500,000          |
|                                                 | <u>2,500,000</u> | <u>2,500,000</u> |

Redemption of the redeemable preference shares requires that the holders be given 6 months written notice of the intention to redeem all or part of the shares which have been issued. The shares are to be redeemed at par plus a premium of £0.07 per share. In the event of a redemption all declared but unpaid dividends are required to be paid.

The deferred shares rank after the redeemable preference shares and ordinary shares on a winding up or other return of capital. The deferred shares carry no voting or dividend entitlements. On 31 January 2007 each deferred share will automatically be redesignated as one ordinary share.

**10 Statement of movements on profit and loss account**

|                            |                                    |
|----------------------------|------------------------------------|
|                            | <b>Profit and<br/>loss account</b> |
|                            | <b>£</b>                           |
| Balance at 1 February 2004 | (349,297)                          |
| Retained loss for the year | <u>(11,498)</u>                    |
| Balance at 31 January 2005 | <u>(360,795)</u>                   |

**11 Control**

The company is controlled by Mercator Trust Company Limited.

**DELNABO ESTATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 JANUARY 2005**

---

**12 Related party transactions**

Included within other debtors is a loan of £253,000 (2004 - £280,000) made by the company to B A Yeowart Holdings Limited, a company in which Mr B A Yeowart and Mrs V I Yeowart are directors and shareholders. Loan interest received on this loan during the year was £15,875 (2004 - £14,987).