

Company Registration No. SC012965 (Scotland)

**THE ABERCAIRNY ESTATES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

FRIDAY



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SCT 28/09/2012 #118  
COMPANIES HOUSE

***Saffery Champness***  
CHARTERED ACCOUNTANTS

**THE ABERCAIRNY ESTATES LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	W G S Home Drummond Moray Mrs E Drummond Moray A C Moray Parker R C Turcan
<b>Secretary</b>	Turcan Connell
<b>Company number</b>	SC012965
<b>Registered office</b>	The Estates Office, Abercairny Crieff Perthshire PH7 3NQ
<b>Independent Auditors</b>	Saffery Champness Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA
<b>Bankers</b>	Bank of Scotland 50 St John Street Perth PH1 5SL
<b>Solicitors</b>	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE

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**THE ABERCAIRNY ESTATES LIMITED**

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## **THE ABERCAIRNY ESTATES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

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

#### **Principal activities**

The principal activities of the company are estate management, in hand farming and residential property letting. Certain of the company's assets are let under agricultural tenancies or occupied under share farming agreements.

#### **Directors**

The following directors have held office since 1 January 2011:

W G S Home Drummond Moray

Mrs E Drummond Moray

A C Moray Parker

R C Turcan

#### **Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

#### **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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

**THE ABERCAIRNY ESTATES LIMITED**

**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

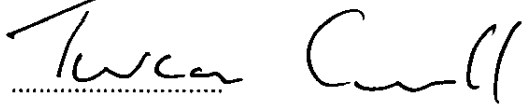
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**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

By order of the board



.....  
Turcan Connell

Secretary

28/9/2012  
.....

## **THE ABERCAIRNY ESTATES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABERCAIRNY ESTATES LIMITED**

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We have audited the financial statements of The Abercairny Estates Limited for the year ended 31 December 2011 set out on pages 5 to 13. 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 pages 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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for 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 December 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.

**THE ABERCAIRNY ESTATES LIMITED**

**INDEPENDENT AUDITORS' REPORT (continued)  
TO THE MEMBERS OF THE ABERCAIRNY ESTATES LIMITED**

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**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.

**Maxwell Floydd (Senior Statutory Auditor)  
for and on behalf of Saffery Champness**

30 September 2012

**Chartered Accountants  
Statutory Auditors**

Edinburgh Quay  
133 Fountainbridge  
Edinburgh  
EH3 9BA

**THE ABERCAIRNY ESTATES LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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		<b>2011</b>	<b>2010</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>		988,748	771,635
Cost of sales		<u>(516,123)</u>	<u>(288,109)</u>
<b>Gross profit</b>		472,625	483,526
Administrative expenses		<u>(573,600)</u>	<u>(509,789)</u>
<b>Operating loss</b>	<b>2</b>	(100,975)	(26,263)
Gain on disposal of tangible fixed assets		<u>96,657</u>	<u>2,108</u>
<b>Loss on ordinary activities before interest</b>		(4,318)	(24,155)
Interest payable and similar charges		<u>(32,972)</u>	<u>(19,507)</u>
<b>Loss on ordinary activities before taxation</b>		(37,290)	(43,662)
Tax on loss on ordinary activities	<b>3</b>	<u>(7,954)</u>	<u>-</u>
<b>Loss for the year</b>	<b>13</b>	<u><u>(45,244)</u></u>	<u><u>(43,662)</u></u>

The notes on pages 7 to 13 form part of these financial statements.



**THE ABERCAIRNY ESTATES LIMITED**

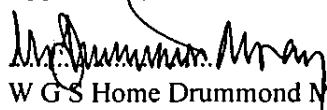
**BALANCE SHEET  
AS AT 31 DECEMBER 2011**

	Notes	2011		2010	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	5		31,290		46,936
Tangible assets	6		6,402,249		6,320,785
			<u>6,433,539</u>		<u>6,367,721</u>
<b>Current assets</b>					
Stocks	7	147,331		148,838	
Debtors	8	398,830		78,900	
Cash at bank and in hand		33		9	
			<u>546,194</u>		<u>227,747</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(300,517)</u>		<u>(664,993)</u>	
<b>Net current assets/(liabilities)</b>			<u>245,677</u>		<u>(437,246)</u>
<b>Total assets less current liabilities</b>			<u>6,679,216</u>		<u>5,930,475</u>
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(1,106,789)</u>		<u>(306,789)</u>
			<u>5,572,427</u>		<u>5,623,686</u>
<b>Capital and reserves</b>					
Called up share capital	12		25,003		25,003
Revaluation reserve	13		5,344,417		5,524,745
Profit and loss account	13		203,007		73,938
<b>Shareholders' funds</b>			<u>5,572,427</u>		<u>5,623,686</u>

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

The notes on pages 7 to 13 form part of these financial statements.

Approved by the Board for issue on 21.9.12



W G S Home Drummond Moray  
Director

Company Registration No. SC012965

# THE ABERCAIRNY ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of heritable property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for rental income, farming goods, grant income and other miscellaneous estate ownership income. Revenue is recognised on an accruals basis.

#### 1.4 Single farm payment entitlements

Single farm payment entitlements are included at cost less amortisation. Amortisation is provided at rates calculated to write off the cost over its useful economic life, which for entitlements purchased in the current year is four years. A full year's amortisation charge is included in the year of purchase.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than heritable land are stated at cost or valuation less depreciation. No depreciation is charged on heritable land. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Heritable property	2% per annum
Property improvements	10% per annum on a straight line basis
Plant and equipment	15%-25% per annum on a reducing balance basis

In accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) the company's revaluation reserve reports an annual transfer to the profit and loss reserves to align with the company's heritable buildings depreciation policy. Therefore, a 2% charge of the deemed buildings element of the revaluation reserve is transferred.

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

THE ABERCAIRNY ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies (continued)

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating loss	2011 £	2010 £
Operating loss is stated after charging:		
Amortisation of intangible assets	15,646	15,645
Depreciation of tangible assets	109,607	107,927
Auditors' remuneration	8,075	7,787
Directors' remuneration	36,434	36,282

3 Taxation	2011 £	2010 £
Domestic current year tax		
U.K. corporation tax	7,954	-
<b>Total current tax</b>	<b>7,954</b>	<b>-</b>

The company has estimated losses of £97,823 (2010 - £75,160) available for carry forward against future trading profits.

4 Dividends	2011 £	2010 £
Dividends on equity shares:		
Ordinary final paid	5,560	4,320
Dividends on non-equity shares:		
Preference final paid	455	455
	<b>6,015</b>	<b>4,775</b>

**THE ABERCAIRNY ESTATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**5 Intangible fixed assets**

	<b>Single farm payment entitlements £</b>
<b>Cost</b>	
At 1 January 2011 & at 31 December 2011	62,581
<b>Amortisation</b>	
At 1 January 2011	15,645
Charge for the year	15,646
At 31 December 2011	31,291
<b>Net book value</b>	
At 31 December 2011	31,290
At 31 December 2010	46,936

THE ABERCAIRNY ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011

6 Tangible fixed assets

	Heritable property £	Property improvements £	Plant and equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2011	6,210,986	262,901	169,069	6,642,956
Additions	2,289	166,800	26,121	195,210
Disposals	-	-	(12,842)	(12,842)
At 31 December 2011	<u>6,213,275</u>	<u>429,701</u>	<u>182,348</u>	<u>6,825,324</u>
<b>Depreciation</b>				
At 1 January 2011	134,924	77,505	109,742	322,171
On disposals	-	-	(8,703)	(8,703)
Charge for the year	67,575	26,780	15,252	109,607
At 31 December 2011	<u>202,499</u>	<u>104,285</u>	<u>116,291</u>	<u>423,075</u>
<b>Net book value</b>				
At 31 December 2011	<u>6,010,776</u>	<u>325,416</u>	<u>66,057</u>	<u>6,402,249</u>
At 31 December 2010	<u>6,076,062</u>	<u>185,396</u>	<u>59,327</u>	<u>6,320,785</u>

Certain properties were revalued by Bell Ingram, Chartered Surveyors, on 28 February 1992 on the basis of the open market value for existing use, at £5,506,050. This valuation has been adopted as the historic cost under the transitional provisions of Financial Reporting Standard 15. Subsequently acquired properties and improvements are included at historical cost.

7 Stocks

	2011 £	2010 £
Livestock	63,636	70,807
Crops	83,695	78,031
	<u>147,331</u>	<u>148,838</u>

8 Debtors

	2011 £	2010 £
Trade debtors	383,700	62,072
Other debtors	15,130	16,828
	<u>398,830</u>	<u>78,900</u>

THE ABERCAIRNY ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011

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9 Creditors: amounts falling due within one year	2011	2010
	£	£
Bank loans and overdrafts	10,255	559,751
Trade creditors	257,183	37,074
Taxation and social security	12,188	3,560
Other creditors	20,891	64,608
	<u>300,517</u>	<u>664,993</u>

The bank overdraft is secured by a Bond and Floating Charge over all the assets of the company in favour of Bank of Scotland plc.

10 Creditors: amounts falling due after more than one year	2011	2010
	£	£
Bank loans	800,000	-
Other creditors	306,789	306,789
	<u>1,106,789</u>	<u>306,789</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	<u>1,106,789</u>	<u>306,789</u>

Following the previous year end the directors restructured the long term debt such that Bank of Scotland plc has granted a reduced overdraft facility and two term loans. The first loan is for £500,000 and has a duration of five years with interest accruing on a fixed rate basis. This loan is repayable in one lump sum 60 months after drawdown and is secured by way of a standard security over one of the company's heritable properties. The second loan is for £300,000, also has a duration of five years with lump sum repayment 60 months after drawdown and bears interest at 3% above the Bank of Scotland's Base Rate. It is secured on a similar basis to the first term loan.

Other creditors represents an outstanding loan to a related party that is interest free and repayable over five years in equal annual instalments.

**THE ABERCAIRNY ESTATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**11 Pension costs**

**Defined contribution**

	2011 £	2010 £
Contributions payable by the company for the year	<u>1,263</u>	<u>1,588</u>

**12 Share capital**

	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
12,000 Ordinary shares of £1 each	12,000	12,000
1 'A' Ordinary shares of £1 each	1	1
1 'B' Ordinary shares of £1 each	1	1
1 'C' Ordinary shares of £1 each	1	1
13,000 3.5% Cumulative preference shares of £1 each	<u>13,000</u>	<u>13,000</u>
	<u>25,003</u>	<u>25,003</u>

The cumulative preference shares are redeemable at par at the option of the company.

**13 Statement of movements on reserves**

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2011	5,524,745	73,938
Loss for the year	-	(45,244)
Transfer from revaluation reserve to profit and loss account	(180,328)	180,328
Dividends paid	-	(6,015)
Balance at 31 December 2011	<u>5,344,417</u>	<u>203,007</u>

**14 Control**

The directors consider the Drummond Moray family trusts to be the ultimate controlling parties of The Abercairny Estates Limited.

**THE ABERCAIRNY ESTATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**15 Related party relationships and transactions**

**Loans from directors**

The following directors entered into interest-free loans repayable on demand during the year. The movements on these loans are as follows:

<b>Description</b>	<b>% Rate</b>	<b>Opening Balance £</b>	<b>Amounts Advanced £</b>	<b>Interest Charged £</b>	<b>Amounts Repaid £</b>	<b>Closing Balance £</b>
W G S Home Drummond Moray -	-	50,000	-	-	(50,000)	-
		<u>50,000</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
<b>Loan advanced to the company</b>						
<b>Description</b>	<b>% Rate</b>	<b>Opening Balance £</b>	<b>Amounts Advanced £</b>	<b>Interest Charged £</b>	<b>Amounts Repaid £</b>	<b>Closing Balance £</b>
D Parker - Advanced to company	-	306,789	-	-	-	306,789
		<u>306,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,789</u>

D Parker is the farm manager and the husband of A C Moray Parker, a company director.

**Other transactions**

The company has entered into transactions with related parties in the year as follows:

Legal fees were paid to Turcan Connell during the year amounting to £16,815 (2010: £5,825). R C Turcan, a director of the company, is a partner in Turcan Connell, the company's legal advisors.