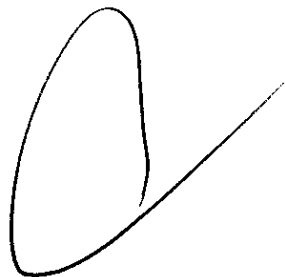


**Teasses Estate Limited**

**Annual report  
for the year ended 30 April 2001**

Registered number: SC159847

A large, stylized handwritten mark, possibly a signature or a checkmark, consisting of a large loop followed by a diagonal stroke.

SCT SVIW98P7 0050  
COMPANIES HOUSE 28/02/02

# **Teasses Estate Limited**

## **Annual report for the year ended 30 April 2001**

	<b>Pages</b>
<b>Directors and advisors</b>	<b>1</b>
<b>Report of the directors</b>	<b>2 - 3</b>
<b>Report of the auditors</b>	<b>4</b>
<b>Profit and loss account</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Notes to the financial statements</b>	<b>7 - 13</b>

# **Teasses Estate Limited**

1

## **Directors and advisors**

### **Directors**

Sir A F Morrison  
Lady P J Morrison

### **Secretary and registered office**

Lady P J Morrison  
Teasses House  
Teasses Estate  
By Leven  
Fife  
KY8 5PG

### **Auditors**

PricewaterhouseCoopers  
P O Box 90  
Erskine House  
68-73 Queen Street  
Edinburgh  
EH2 4NH

### **Solicitors**

McGrigor Donald  
Princes Exchange  
1 Earl Grey Street  
Edinburgh  
EH3 9EE

### **Bankers**

Clydesdale Bank Plc  
16 St Catherine Street  
Cupar  
Fife  
KY15 4HH

**Report of the directors  
for the year ended 30 April 2001**

The directors present their report and audited financial statements for the year ended 30 April 2001.

**Principal activities and review of business**

The profit and loss account for the year is set out on page 5.

The principal activities of the company are the carrying on of the trades of farming, sporting activities and estate management.

**Dividend**

The directors do not recommend the payment of a dividend in respect of the year ended 30 April 2001.

**Directors**

The directors of the company together with their interests in the Ordinary £1 shares of the company according to the register required to be kept by Section 325 of the Companies Act 1985 were as follows:

	<b>30 April 2001</b>	<b>30 April 2000</b>
	<b>Number</b>	<b>Number</b>
Sir A F Morrison	<b>2,594,464</b>	<b>2,594,464</b>
Lady P J Morrison	<b>-</b>	<b>-</b>

**Statement of directors' responsibilities**

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that year.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 April 2001. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

**Report of the directors (continued)  
for the year ended 30 April 2001**

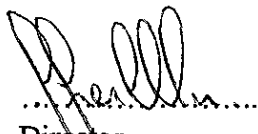
**Statement of directors' responsibilities (continued)**

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Auditors**

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

**By order of the board**

  
.....  
Director  
Leven

Date 26 February 2002

# **Report of the auditors to the members of Teasses Estate Limited**

4

We have audited the financial statements on pages 5 to 13.

## **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on pages 2 and 3, this includes the responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors remuneration and transactions is not disclosed.

## **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

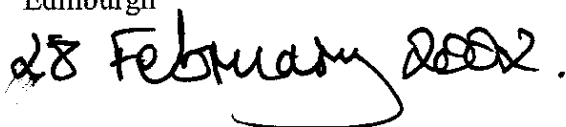
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 30 April 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Chartered Accountants and Registered Auditors

Edinburgh

  
28 February 2002.

**Profit and loss account  
for the year ended 30 April 2001**

	Notes	2001 £	2000 £
<b>Turnover</b>	2	<b>134,204</b>	109,756
Cost of sales		<u>131,017</u>	<u>122,880</u>
Gross profit / (loss)		<b>3,187</b>	(13,124)
Other operating income	3	<u>153,976</u>	<u>166,809</u>
		<b>157,163</b>	153,685
Administration expenses		<u>(338,106)</u>	<u>(412,455)</u>
<b>Operating loss</b>		<b>(180,943)</b>	(258,770)
Interest received and similar income		<b>4</b>	449
Interest payable	4	<u>(15,207)</u>	<u>(13,645)</u>
<b>Loss on ordinary activities before taxation</b>	5	<b>(196,146)</b>	(271,966)
Taxation	6	<u>-</u>	<u>83</u>
<b>Retained loss for year after taxation</b>	13	<u><b>(196,146)</b></u>	<u><b>(271,883)</b></u>

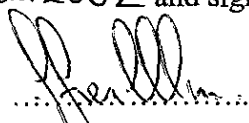
Results for the year are attributable solely to continuing operations. There is no difference between the losses on ordinary activities before tax and the retained losses for the years stated above and their historical cost equivalents.

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

**Balance sheet****As at 30 April 2001**

	Notes	2001 £	2000 £
<b>Fixed assets</b>			
Tangible assets	7	2,743,898	2,813,273
Quota	7	<u>27,965</u>	<u>32,833</u>
		<u>2,771,863</u>	<u>2,846,106</u>
<b>Current assets</b>			
Stock	8	124,005	109,833
Debtors	9	43,429	23,687
Cash on deposit and at bank		<u>179</u>	<u>152</u>
		167,613	133,672
<b>Creditors</b>			
Amounts falling due within one year	10	<u>280,462</u>	<u>299,074</u>
<b>Net current liabilities</b>		<u>(112,849)</u>	<u>(165,402)</u>
<b>Creditors</b>			
Amounts falling due after one year	11	<u>416,456</u>	<u>242,000</u>
<b>Net assets</b>		<u>2,242,558</u>	<u>2,438,704</u>
		£	£
<b>Capital and reserves</b>			
Called up share capital	12	3,169,464	3,169,464
Profit and loss accounts	13	<u>(926,906)</u>	<u>(730,760)</u>
<b>Equity shareholders' funds</b>	14	<u>2,242,558</u>	<u>2,438,704</u>

The financial statements on pages 5 to 13 were approved by the Board of Directors on 26 Feb. 2002 and signed on its behalf by:

  
 .....  
 Director

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



**Notes to the financial statements  
for the year ended 30 April 2001****1 Principal accounting policies**

The accounts are prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies of the company, which have been applied consistently, is set out below.

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

**Basis of Accounting**

The financial statements are prepared in accordance with the historical cost convention

**Tangible fixed assets**

During the year the company adopted FRS15, which requires the depreciation of property. This has resulted in a charge of £9,200 in the year to 30 April 2001. The company had not previously provided depreciation on properties.

The cost of tangible fixed assets is their purchase price, together with any incidental expenses of acquisition.

Depreciation is calculated on motor vehicles and plant and equipment so as to write off their cost on a reducing balance over the expected useful lives of the assets concerned. Depreciation is calculated on freehold property and improvements so as to write off their cost on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for these purposes are:-

	%
Property	2
Motor vehicles	20 & 25
Plant & equipment	5, 10 & 20
Improvements	5

**Notes to the financial statements (continued)  
for the year ended 30 April 2001**

**Quotas**

Quotas are in respect of sheep and cattle and are shown at the lower of cost or net realisable value.

**Stock**

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

**Turnover**

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied.

**Government grants**

Grants received relating to revenue items are credited to the profit and loss account when they are received.

**Taxation**

The charge for taxation is based on the profit for the year as adjusted for disallowable items, and for timing differences to the extent that they are unlikely to result in an actual tax liability in the foreseeable future. Timing differences arise from the recognition for tax purposes of certain items of income and expenses in a different accounting year from that in which they are recognised in the accounts. The tax effect of other timing differences as reduced by the tax benefit of any accumulated losses is treated as a deferred tax liability.

**2 Turnover**

Turnover consists entirely of sales made in the United Kingdom.

**Notes to the financial statements (continued)**  
**for the year ended 30 April 2001**

**3 Other operating income**

	2001	2000
	£	£
Livestock subsidies	51,425	45,264
Rent received	49,976	58,011
Other income	52,575	63,534
	<u>153,976</u>	<u>166,809</u>

**4 Interest payable and similar charges**

	2001	2000
	£	£
On overdraft	<u>15,207</u>	<u>13,645</u>

**5 Loss on ordinary activities before taxation**

Loss on ordinary activities before taxation is stated:

	2001	2000
	£	£
After charging:		
Depreciation charge for the year:		
Tangible owned fixed assets	104,138	97,167
Auditors' remuneration	3,500	3,250
Hire of livestock	<u>9,495</u>	<u>9,540</u>

None of the directors received or waived emoluments in the year to 30 April 2001 (2000: Nil)

**6 Taxation**

At 31 March 2001 the company has accumulated tax losses amounting to £143,846 (2000: £116,161). No deferred tax asset has been recognised in the accounts in relation to these losses.

**Notes to the financial statements (continued)**  
**for the year ended 30 April 2001**

**7 Tangible fixed assets**

	Land & Buildings £	Improvements £	Plant & Machinery £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 May 2000	1,414,420	1,481,877	118,637	43,855	3,058,789
Additions	-	22,882	11,879	-	34,761
<b>At 30 April 2001</b>	<b>1,414,420</b>	<b>1,504,759</b>	<b>130,516</b>	<b>43,855</b>	<b>3,093,550</b>
<b>Depreciation</b>					
At 1 May 2000	-	(177,587)	(43,678)	(24,249)	(245,514)
Charge for the year	(9,200)	(75,701)	(14,649)	(4,588)	(104,138)
<b>At 30 April 2001</b>	<b>(9,200)</b>	<b>(253,288)</b>	<b>(58,327)</b>	<b>(28,837)</b>	<b>(349,652)</b>
<b>NBV at 30 April 2001</b>	<b>1,405,220</b>	<b>1,251,471</b>	<b>72,189</b>	<b>15,018</b>	<b>2,743,898</b>
	£	£	£	£	£
NBV at 30 April 2000	1,414,420	1,304,289	74,959	19,605	2,813,273

**Quota**

	Sheep £	Cattle £	Total £
Cost	4,968	27,865	32,833
Amortisation in the year	(4,868)	-	(4,868)
<b>Net realisable value at 30 April 2001</b>	<b>100</b>	<b>27,865</b>	<b>27,965</b>

**Notes to the financial statements (continued)**  
**for the year ended 30 April 2001**

**8 Stock**

	2001	2000
	£	£
Livestock	102,635	84,648
Sundry stores	21,370	25,185
	<u>124,005</u>	<u>109,833</u>

**9 Debtors**

	2001	2000
	£	£
Amounts due within one year		
Other debtors	<u>43,429</u>	<u>23,687</u>

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

	2001	2000
	£	£
Bank overdraft	211,998	204,961
Trade creditors	56,728	84,918
Accruals and deferred income	5,686	2,186
Director's loan	<u>6,050</u>	<u>7,009</u>
	<u>280,462</u>	<u>299,074</u>

**11 Creditors: amounts falling due after one year**

	2001	2000
	£	£
Director's funding loan	<u>416,456</u>	<u>242,000</u>

**Notes to the financial statements (continued)**  
**for the year ended 30 April 2001**

**12 Share capital**

	2001 £	2000 £
<b>Authorised</b>		
4,000,000 shares of £1 each	<u>4,000,000</u>	<u>4,000,000</u>
<b>Allotted, called up and fully paid</b>		
3,169,464 shares of £1 each	<u>3,169,464</u>	<u>3,169,464</u>

**13 Profit and loss account**

	2001 £	2000 £
At 1 May 2000	(730,760)	(458,877)
Retained loss for the year	<u>(196,146)</u>	<u>(271,883)</u>
<b>At 30 April 2001</b>	<u>(926,906)</u>	<u>(730,760)</u>

**14 Reconciliation of movements in equity shareholders' funds**

	2001 £	2000 £
Loss for the financial year	(196,146)	(271,883)
Opening equity shareholders' funds	<u>2,438,704</u>	<u>2,710,587</u>
<b>Closing equity shareholders' funds</b>	<u>2,242,558</u>	<u>2,438,704</u>

**Notes to the financial statements (continued)**  
**for the year ended 30 April 2001**

**15 Financial commitments**

At 30 April 2001 the company had annual commitments under non-cancellable operating leases as follows:

	2001	2000
	£	£
Expiring within one year	<u>9,495</u>	<u>9,540</u>

**16 Related party transactions**

Sir A F Morrison, a director of Teasses Estate Limited, was also a director of Morrison Construction Limited and of Morrison Construction Group plc of which Morrison Construction Limited is a subsidiary for the year ended 30 April 2001.

During the year the company purchased services totalling £4,011 (2000: £28,966) from Morrison Construction Limited. In addition the company made sales of £13,503 (2000: £44,420) to Morrison Construction Limited during the year.

During the year the company made sales of £44,448 (2000: £5,272) to Sir A F Morrison. In addition the company purchased services totalling £10,709 from Sir A F Morrison (2000: £0).

During the year the company made purchases of £2,529 (2000: £0) from Lady Morrison.

**17 Controlling party**

Sir A F Morrison, a director, is the controlling party by virtue of his controlling interest in the company's equity capital.