

Registration Number 140736

**Moray Holdings Limited**  
**Directors' Report and Financial Statements**  
**for the year ended 31 March 1999**

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COMPANIES HOUSE 20/01/00



## Moray Holdings Limited

### Company Information

Directors	Mrs I E Eckersley C G Eckersley J E Eckersley	
Secretary	The Commercial Law Practice Ledingham Chalmers	(appointed 10 September 1998) (resigned 10 September 1998)
Company Number	140736	
Registered Office	3-13 Low Street Buckie Banffshire AB56 1UX	
Auditors	W D Johnston & Carmichael Commerce House South Street Elgin Moray IV30 1JE	
Business Address	3-13 Low Street Buckie Banffshire AB56 1UX	
Bankers	Bank of Scotland 21 East Church Street Buckie AB56 1EX	
Solicitors	The Commercial Law Practice Windsor House 12 Queen's Road Aberdeen AB15 4ZT	



## Moray Holdings Limited

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## **Moray Holdings Limited**

### **Directors' Report for the year ended 31 March 1999**

The directors present their report and the financial statements for the year ended 31 March 1999.

#### **Principal Activity and Review of the Business**

The principal activity of the company is that of a holding company for its wholly owned subsidiaries whose principal activities include seafood processing.

#### **Results And Dividends**

The results for the year are set out on page 4.

The directors do not recommend payment of a final dividend.

#### **Year 2000**

The directors have considered the likely effect of the millennium problem, and are satisfied that procedures put in place will reasonably safeguard the company against any financial or operational problems associated with being year 2000 compliant. The cost of such steps is not considered to be significant.

#### **Going concern**

The directors consider that the company has adequate resources to continue its operational existence for the foreseeable future. In coming to this conclusion, the directors have paid particular attention to the period of one year from the date of approval of the financial statements.

#### **Directors and their Interests**

The directors who served during the year and their interests in the company are as stated below:

	<b>Ordinary shares</b>	
	<b>1999</b>	<b>1998</b>
Mrs I E Eckersley	-	-
C G Eckersley	405,601	405,601
J E Eckersley	405,601	405,601

In addition to the above Mrs I E Eckersley has an interest in the 1 redeemable deferred non-participating ordinary share as a beneficiary of the trust which holds the share.

Directors' interests at the end of the year exclude shares that still have to be issued in respect of the acquisition of the subsidiary undertakings (note 13).

The company's Articles of Association do not require the directors to retire by rotation.

## **Moray Holdings Limited**

### **Directors' Report for the year ended 31 March 1999**

#### **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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 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. 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.

#### **Freehold land and buildings**

In the opinion of the directors the market value of freehold land and buildings was not significantly greater than book value.

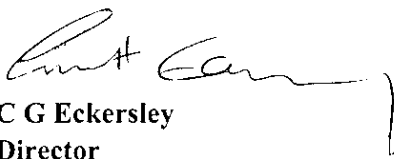
#### **Controlling Parties**

Although no individual has overall day to day control over the company it is, for FRS8 purposes only, controlled by Mrs Eckersley.

#### **Auditors**

W D Johnston & Carmichael were appointed auditors to the company during the year and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their reappointment will be put to the Annual General Meeting.

This report was approved by the Board on 13 January 2000 and signed on its behalf by

  
**C G Eckersley**  
**Director**



## **Moray Holdings Limited**

### **Auditors' Report to the Shareholders of Moray Holdings Limited**

We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **Basis of 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 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 as at 31 March 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**W D Johnston & Carmichael**

**Chartered Accountants and  
Registered Auditor**

**Commerce House  
South Street  
Elgin  
Moray  
IV30 1JE**

**13 January 2000**



**Moray Holdings Limited**

**Profit and Loss Account  
for the year ended 31 March 1999**

		<b>Continuing operations</b>	
		<b>1999</b>	<b>1998</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	21,661	21,661
Administrative expenses		(23,486)	(456,828)
<b>Operating loss</b>	<b>3</b>	<u>(1,825)</u>	<u>(435,167)</u>
Amount written off investments	<b>4</b>	-	(9,557)
Interest payable and similar charges	<b>5</b>	-	<u>45,794</u>
<b>Loss on ordinary activities before taxation</b>		<u>(1,825)</u>	<u>(398,930)</u>
Tax on loss on ordinary activities	<b>6</b>	-	(4,807)
<b>(Loss) for the year</b>		<u>(1,825)</u>	<u>(403,737)</u>
Accumulated (loss) brought forward		(638,796)	(235,059)
<b>Accumulated (loss) carried forward</b>		<u>(640,621)</u>	<u>(638,796)</u>

The notes on pages 7 to 15 form an integral part of these financial statements.




**Moray Holdings Limited**

**Balance Sheet  
as at 31 March 1999**

		1999		1998	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	7		1,170,900		1,197,160
Investments	8		1,731,473		1,731,473
			<u>2,902,373</u>		<u>2,928,633</u>
<b>Current Assets</b>					
Debtors	9	41,911		96,894	
		<u>41,911</u>		<u>96,894</u>	
<b>Creditors: amounts falling due within one year</b>	10	(2,250)		(5,224)	
<b>Net Current Assets</b>			<u>39,661</u>		<u>91,670</u>
<b>Total Assets Less Current Liabilities</b>			2,942,034		3,020,303
<b>Creditors: amounts falling due after more than one year (including convertible debt)</b>	11		(2,000,360)		(2,076,804)
<b>Provision for Liabilities and Charges</b>	12		(224,539)		(224,539)
<b>Net Assets</b>			<u>717,135</u>		<u>718,960</u>
<b>Capital and Reserves</b>					
Called up share capital	13		1,357,756		1,357,756
Profit and loss account			(640,621)		(638,796)
<b>Equity Shareholders' Funds</b>	14		<u>717,135</u>		<u>718,960</u>
<b>Equity interests</b>			717,134		718,959
<b>Non-equity interests</b>			1		1

The financial statements were approved by the Board on 13 January 2000 and signed on its behalf by

  
C G Eckersley  
Director

**The notes on pages 7 to 15 form an integral part of these financial statements.**



**Moray Holdings Limited**

**Cash Flow Statement  
for the year ended 31 March 1999**

	Notes	1999 £	1998 £
<b>Reconciliation of operating loss to net cash inflow from operating activities</b>			
Operating loss		(1,825)	(435,167)
Depreciation		26,260	26,260
(Decrease) / increase in creditors		(2,974)	1,000
Write off inter company balance		-	419,900
Rental income charged to inter company account		(21,661)	(21,661)
<b>Net cash outflow from operating activities</b>		<u>(200)</u>	<u>(9,668)</u>

**CASH FLOW STATEMENT**

Net cash outflow from operating activities		(200)	(9,668)
Financing	17	200	9,668
<b>Increase in cash in the year</b>		<u>-</u>	<u>-</u>

**Reconciliation of net cash flow to movement in net funds (Note 18)**

<b>Increase in cash in the year</b>		-	-
<b>Net debt at 1 April 1998</b>		(1,089,864)	(1,089,864)
<b>Net debt at 31 March 1999</b>		<u>(1,089,864)</u>	<u>(1,089,864)</u>





## Moray Holdings Limited

### Notes to the Financial Statements for the year ended 31 March 1999

#### 1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered to be material to the financial statements in both the current and preceding year.

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

The company has consistently applied all relevant accounting standards.

##### 1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of rental income charged in the year.

##### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings - Straight Line over 50 years or over the remaining period of the lease

##### 1.4. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

##### 1.5. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

##### 1.6. Consolidated accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

#### 2. Turnover

The total turnover of the company for the year has been derived from property rentals wholly undertaken in the UK.

#### 3. Operating loss

	1999	1998
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	26,260	26,260
Write off inter company balance	-	419,900
Auditors' remuneration	2,250	1,000



**Moray Holdings Limited**

**Notes to the Financial Statements  
for the year ended 31 March 1999**

..... continued

<b>4.</b>	<b>Amounts written off investments</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Amounts written off fixed asset investments:		
	- permanent diminution in value	-	9,557
		<u>          </u>	<u>          </u>
<b>5.</b>	<b>Interest payable and similar charges</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	On loan stock	-	(45,794)
		<u>          </u>	<u>          </u>
	The interest credit on loan stock arises from the waiver of interest charged in prior years.		
<b>6.</b>	<b>Taxation</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	UK current year taxation		
	UK Corporation Tax at 31% (1998 - 31%)	-	4,807
		<u>          </u>	<u>          </u>



**Moray Holdings Limited**

**Notes to the Financial Statements  
for the year ended 31 March 1999**

..... continued

**7. Tangible fixed assets**

	<b>Land and buildings freehold</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 1998		
At 31 March 1999	1,313,000	1,313,000
<b>Depreciation</b>		
At 1 April 1998	115,840	115,840
Charge for the year	26,260	26,260
At 31 March 1999	142,100	142,100
<b>Net book values</b>		
At 31 March 1999	1,170,900	1,170,900
At 31 March 1998	1,197,160	1,197,160

The values at which fixed assets were transferred on their acquisition from prior Eckersley partnerships were based, in large part, upon the reports of independent valuers.

**8. Fixed Asset Investments**

	<b>Subsidiary Undertakings Shares</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 1998		
At 31 March 1999	1,741,030	1,741,030
<b>Provisions for diminution in value:</b>		
At 1 April 1998		
At 31 March 1999	9,557	9,557
<b>Net book values</b>		
At 31 March 1999	1,731,473	1,731,473
At 31 March 1998	1,731,473	1,731,473



# Moray Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 1999

..... continued

### 8.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	Holding
Subsidiary undertaking & nature of trade			
Moray Fishing Fleet Limited (dormant)	Scotland	Ordinary	100%
Moray Hotels Limited (dormant)	Scotland	Ordinary	100%
Moray Seafoods Limited (seafood processing)	Scotland	Ordinary	100%
Moray Mansefield Limited (dormant)	Scotland	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit/(loss) for the year
	£	£
Moray Fishing Fleet Limited	231,471	-
Moray Hotels Limited	2	-
Moray Seafoods Limited	1,368,548	(99,868)
Moray Mansefield Limited	2	-

### 9. Debtors

	1999	1998
	£	£
Amounts owed by group undertakings	40,759	95,742
Group relief receivable	1,152	1,152
	<u>41,911</u>	<u>96,894</u>

All debtors included above are due after more than one year.

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

	1999	1998
	£	£
Accruals and deferred income	<u>2,250</u>	<u>5,224</u>





# Moray Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 1999

..... continued

11. Creditors: amounts falling due after more than one year	1999 £	1998 £
Cumulative convertible loan stock	1,089,864	1,089,864
Directors loan	910,496	986,940
	<u>2,000,360</u>	<u>2,076,804</u>
<b>Loans</b>		
Repayable between two and five years	(1,089,864)	-
Repayable in five years or more	-	(1,089,864)
	<u>(1,089,864)</u>	<u>(1,089,864)</u>
Repayable in five years or more:		
Cumulative convertible loan stock	-	(1,089,864)
	-	<u>(1,089,864)</u>

£150000 of the cumulative convertible loan stock was issued on 1 November 1993 as the initial consideration in respect of the acquisition of the whole assets including goodwill of the Moray Seafoods Partnership. On 20 January 1998 the company issued £1050000 of the cumulative convertible loan stock and subsequently £800000 of this stock was converted into ordinary shares of £1 each at par. The balance of £689864 is provisional pending agreement of transfer values with the taxation authorities. The directors do not consider that any change in the transfer values on agreement being reached with the taxation authorities will be significant.

The loan stock is repayable on 31 October 2003 or on giving one month's notice the company shall be entitled to repay the stock at par in full or in tranches of £10000 on the next following interest date. Interest is payable quarterly on the loan at a rate of 15% per annum and the loan is secured by a floating charge over the assets of the company.

All interest charged up to 31 March 1999 has been waived.

The stockholders are entitled to convert the loan stock into ordinary shares of £1 each at par fully paid, at any time after 1 November 1996.



**Moray Holdings Limited**

**Notes to the Financial Statements  
for the year ended 31 March 1999**

..... continued

**12. Provisions for liabilities and charges**

Deferred tax is analysed over the following timing differences:

	<b>Provided</b>	
	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	224,539	224,539
Movements on the provision for deferred taxation are:		
	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
At 1 April 1998	224,539	220,316
Transferred from profit and loss account	-	4,223
At 31 March 1999	224,539	224,539



# Moray Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 1999

..... continued

13. Share capital	1999 £	1998 £
<b>Authorised</b>		
11,999,999 Ordinary shares of £1 each	11,999,999	11,999,999
1 Redeemable deferred non-participating ordinary share of £1 each	1	1
	<u>12,000,000</u>	<u>12,000,000</u>
Equity interest	11,999,999	11,999,999
Non-equity interest	<u>1</u>	<u>1</u>
<b>Allotted, called up and fully paid</b>		
1,357,755 Ordinary shares of £1 each	1,357,755	1,357,755
1 Redeemable deferred non-participating ordinary share of £1 each	1	1
	<u>1,357,756</u>	<u>1,357,756</u>
Equity interest	1,357,755	1,357,755
Non-equity interest	<u>1</u>	<u>1</u>

Included within ordinary shares are 546553 shares that have still to be issued in respect of the acquisition of the subsidiary undertakings. The number of shares to be issued is provisional pending agreement of transfer values with the taxation authorities.

The redeemable deferred non-participating ordinary share (redeemable share) was issued to the trustees of the cumulative convertible secured loan stock in order to secure this capital instrument.

The redeemable share is not entitled to any dividends or other distributions, and may be redeemed at any time after 22 days notice is given either to the company by the holder requesting to do so, or by the company to the holder provided there is not in existence the cumulative convertible secured loan stock.

On winding up of the company the redeemable share is entitled only to the nominal value of the share less the sum unpaid thereon after paying the holders of the ordinary shares the nominal value of the ordinary shares less the sum unpaid thereon.

The holder of the redeemable share shall be entitled to such number of votes as is equal to 110% of the number of ordinary shares in issue from time to time, whether the share is nil paid, partly paid or fully paid.



# Moray Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 1999

..... continued

### 14. Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Loss for the year	(1,825)	(403,737)
Net proceeds of equity share issue	-	800,000
Net addition to/deduction from shareholders' funds	(1,825)	396,263
Opening shareholders' funds	718,960	322,697
Closing shareholders' funds	717,135	718,960

### 15. Contingent liabilities

At the year end cross guarantees between all group companies exist in favour of the Bank of Scotland for all advances and obligations for which the group may become liable. At 31 March 1999 the company had contingent liabilities of £922906 (1998: £1304839) in respect of group borrowings.

### 16. Related party transactions

a) During the year the company let its freehold property to Moray Seafoods Limited, a wholly owned subsidiary, at a rental of £21661 per annum. This rental figure was negotiated on an arms length basis.

b) At 31 March 1999 the directors had advanced to the company a loan of £910496 (1998 - £986940). This loan is unsecured, interest free and has no fixed repayment terms.

c) As indicated in note 9 £41,911 (1998 - £96,894) was due from group undertakings as at the year end.

### 17. Gross Cash Flows

	1999 £	1998 £
<b>Financing</b>		
Net movement in balances with group undertakings	200	9,668
	200	9,668





**Moray Holdings Limited**

**Notes to the Financial Statements  
for the year ended 31 March 1999**

..... continued

**18. Analysis of changes in net debt**

	<b>Opening balance</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>
Debt due after one year	(1,089,864)	(1,089,864)
<b>Net debt</b>	<u>(1,089,864)</u>	<u>(1,089,864)</u>