

**A & D SUTHERLAND LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002**

SC 30441



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COMPANIES HOUSE 10/03/03

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**A & D SUTHERLAND LIMITED**

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**for the year ended 30 April 2002**

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**A & D SUTHERLAND LIMITED**

**COMPANY INFORMATION**  
**for the year ended 30 April 2002**

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**DIRECTORS:** A L Sutherland  
Mrs M L Sutherland

**SECRETARY:** Mrs E Mancini

**REGISTERED OFFICE:** A & D Sutherland Ltd  
Spittal Quarry  
Watten  
Wick  
Caithness  
KW1 5XR

**REGISTERED NUMBER:** SC030441

**AUDITORS:** MacKenzie Kerr  
Chartered Accountants and  
Registered Auditors  
Redwood  
19 Culduthel Road  
Inverness  
IV2 4AA

**BANKERS:** Bank of Scotland  
25 Orlig Street  
Thurso  
KW1 5XR

# A & D SUTHERLAND LIMITED

## REPORT OF THE DIRECTORS for the year ended 30 April 2002

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The directors present their report with the financial statements of the company for the year ended 30 April 2002.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of quarry operators.

### DIRECTORS

The directors during the year under review were:

A L Sutherland	
D M Sutherland	- resigned 18/3/2002
Mrs M L Sutherland	
Mrs B G Sutherland	- resigned 18/3/2002

The beneficial interests of the directors holding office on 30 April 2002 in the issued share capital of the company were as follows:

	<b>30.4.02</b>	<b>1.5.01</b>
<b>Ordinary £1 shares</b>		
A L Sutherland	-	-
Mrs M L Sutherland	8,833	8,833
<b>Ordinary "B" £1 shares</b>		
A L Sutherland	-	-
Mrs M L Sutherland	4,250	-

### PURCHASE OF OWN SHARES

During the year the company bought back 4,250 ordinary £1 shares. The amount paid was £850,000 which included £6,710 share premium. The buy-back was as a result of the re-organisation of the company and represents 22.37% of the issued share capital.

### STATEMENT OF 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

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

**A & D SUTHERLAND LIMITED**

**REPORT OF THE DIRECTORS  
for the year ended 30 April 2002**

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**AUDITORS**

The auditors, MacKenzie Kerr, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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:**

Mrs E Mancini - SECRETARY



Dated: 21 February 2003

## **A & D SUTHERLAND LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF A & D SUTHERLAND LIMITED**

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We have audited the financial statements of A & D Sutherland Limited for the year ended 30 April 2002 on pages six to fourteen. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors 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 with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

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 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. However, the evidence available to us was limited because we failed to attend the stocktake at 30 April 2002 and in consequence we were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of stock appearing in the balance sheet at £147,639. Any adjustment to this figure would have a consequential significant effect on the profit for the year.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**A & D SUTHERLAND LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF  
A & D SUTHERLAND LIMITED**

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**Qualified opinion arising from limitation in audit scope.**

Except for any adjustments that may have been found to be necessary had we attended the stocktake, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*MacKenzie Kerr*

MacKenzie Kerr  
Chartered Accountants and  
Registered Auditors  
Redwood  
19 Culduthel Road  
Inverness  
IV2 4AA

Dated: 25 February 2003

**A & D SUTHERLAND LIMITED****PROFIT AND LOSS ACCOUNT**

for the year ended 30 April 2002

	Notes	2002 £	2001 £
<b>TURNOVER</b>	2	945,115	1,175,922
Cost of sales		434,812	532,836
<b>GROSS PROFIT</b>		510,303	643,086
Administrative expenses		489,500	710,697
		20,803	(67,611)
Other operating income		9,630	45,578
<b>OPERATING PROFIT/(LOSS)</b>	3	30,433	(22,033)
Interest receivable and similar income		79,576	99,244
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		110,009	77,211
Tax on profit on ordinary activities	4	5,528	16,149
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		104,481	61,062
Dividends	5	67,161	-
		37,320	61,062
Retained profit brought forward		2,204,295	2,143,233
		2,241,615	2,204,295
Purchase of own shares		(850,000)	-
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u>£1,391,615</u>	<u>£2,204,295</u>

The notes form part of these financial statements



**A & D SUTHERLAND LIMITED****BALANCE SHEET****30 April 2002**

		2002		2001	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	6		396,226		410,337
Investments	7		-		67,161
			<u>396,226</u>		<u>477,498</u>
<b>CURRENT ASSETS:</b>					
Stocks		147,639		112,111	
Debtors	8	281,139		264,912	
Investments	9	300,000		300,000	
Cash at bank and in hand		469,818		1,901,287	
		<u>1,198,596</u>		<u>2,578,310</u>	
<b>CREDITORS:</b> Amounts falling due within one year	10	93,496		722,457	
		<u>93,496</u>		<u>722,457</u>	
<b>NET CURRENT ASSETS:</b>			<u>1,105,100</u>		<u>1,855,853</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>1,501,326</u>		<u>2,333,351</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	11		(21,859)		(31,574)
<b>ACCRUALS AND DEFERRED INCOME:</b>	12		(38,852)		(48,482)
			<u>£1,440,615</u>		<u>£2,253,295</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	13		14,750		19,000
Share premium	14		23,290		30,000
Capital redemption reserve	15		10,960		-
Profit and loss account			1,391,615		2,204,295
			<u>1,391,615</u>		<u>2,204,295</u>
<b>SHAREHOLDERS' FUNDS:</b>			<u>£1,440,615</u>		<u>£2,253,295</u>

The notes form part of these financial statements

**A & D SUTHERLAND LIMITED**

**BALANCE SHEET**

**30 April 2002**

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These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**



A L Sutherland - DIRECTOR

Approved by the Board on 21 February 2003

The notes form part of these financial statements

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**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings	- 2% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**2. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

**3. OPERATING PROFIT/(LOSS)**

The operating profit (2001 - operating loss) is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation - owned assets	61,948	127,534
Profit on disposal of fixed assets	(67,092)	(4,145)
Auditors' remuneration	15,400	7,700
Pension costs	31,008	13,353
	<u>          </u>	<u>          </u>
Directors' emoluments and other benefits etc	340,428	503,748
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 April 2002**

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4. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2002	2001
	£	£
Current tax:		
UK corporation tax	16,104	16,149
Prior year adjustment	(861)	-
Total current tax	<u>15,243</u>	<u>16,149</u>
Deferred tax:		
Deferred taxation	(9,715)	-
Tax on profit on ordinary activities	<u>5,528</u>	<u>16,149</u>

5. **DIVIDENDS**

	2002	2001
	£	£
4,250 Ordinary "B" shares of £1 each		
Dividend "B" shares	<u>67,161</u>	<u>-</u>

**A & D SUTHERLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 April 2002**

**6. TANGIBLE FIXED ASSETS**

	Buildings	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
<b>COST:</b>					
At 1 May 2001	322,835	1,183,054	23,410	63,496	1,592,795
Additions	-	13,600	594	37,459	51,653
Disposals	(60)	(5,016)	(344)	(5,500)	(10,920)
At 30 April 2002	322,775	1,191,638	23,660	95,455	1,633,528
<b>DEPRECIATION:</b>					
At 1 May 2001	47,337	1,076,428	18,482	40,207	1,182,454
Charge for year	3,527	48,814	1,183	8,424	61,948
Eliminated on disposals	-	(5,016)	(136)	(1,948)	(7,100)
At 30 April 2002	50,864	1,120,226	19,529	46,683	1,237,302
<b>NET BOOK VALUE:</b>					
At 30 April 2002	271,911	71,412	4,131	48,772	396,226
At 30 April 2001	275,498	106,626	4,928	23,285	410,337

**7. FIXED ASSET INVESTMENTS**

	£
<b>COST:</b>	
At 1 May 2001	67,161
Disposals	(67,161)
At 30 April 2002	-
<b>NET BOOK VALUE:</b>	
At 30 April 2002	-
At 30 April 2001	67,161
Unlisted investments	2002 £ -
	2001 £ 67,161

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 April 2002**

**7. FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

**William Dunnet & Co**

Nature of business: Motor retailer.

Class of shares:	%
Ordinary £1	holding 95.00

	2002	2001
	£	£
Aggregate capital and reserves	-	1,472,201
Profit for the year	-	115,170
	<u>          </u>	<u>          </u>

**8. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Trade debtors	265,436	188,441
Other debtors	7,703	17,762
Prepayments and accrued income	8,000	-
Amounts owed by group undertakings	-	58,709
	<u>          </u>	<u>          </u>
	<u>281,139</u>	<u>264,912</u>

**9. CURRENT ASSET INVESTMENTS**

	2002	2001
	£	£
Listed investments	300,000	300,000
	<u>          </u>	<u>          </u>

Market value of listed investments at 30 April 2002 - £485,916 (2001 - £476,917).

**A & D SUTHERLAND LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 April 2002****10. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Bank loans and overdrafts	5,170	1,250
Trade creditors	21,086	22,327
Other creditors	11,778	117,290
V.A.T.	26,414	49,272
Social security and other tax	6,394	33,654
Taxation	16,104	-
Accrued expenses	6,550	498,664
	<u>93,496</u>	<u>722,457</u>

**11. PROVISIONS FOR LIABILITIES AND CHARGES**

	2002	2001
	£	£
Deferred tax	<u>21,859</u>	<u>31,574</u>

	Deferred tax £
Balance at 1 May 2001	31,574
Transferred from P & L Account	(9,715)
	<u>21,859</u>

## Deferred tax provision

	2002	2001
	£	£
Deferred taxation	31,574	41,327
Deferred tax transfer	(9,715)	(9,753)
	<u>21,859</u>	<u>31,574</u>

**12. ACCRUALS AND DEFERRED INCOME**

	2002	2001
	£	£
Deferred government grants		
Brought forward	48,482	68,060
Released in year	(9,630)	(19,578)
	<u>38,852</u>	<u>48,482</u>

**A & D SUTHERLAND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 April 2002**

**13. CALLED UP SHARE CAPITAL**

Authorised:			2002	2001
Number:	Class:	Nominal value:	£	£
11,500 (2001 - 20,000)	Ordinary	£1	11,500	20,000
4,250	Ordinary "B"	£1	4,250	-
			<u>15,750</u>	<u>20,000</u>

Allotted, issued and fully paid:			2002	2001
Number:	Class:	Nominal value:	£	£
10,500 (2001 - 19,000)	Ordinary	£1	10,500	19,000
4,250	Ordinary "B"	£1	4,250	-
			<u>14,750</u>	<u>19,000</u>

The following shares were allotted and fully paid for cash at par during the year:

4,250 Ordinary "B" shares of £1 each

During the year the company bought back 4,250 ordinary £1 shares. The total amount paid was £850,000 which included £6,710 of share premium shown in note 14. below.

**14. SHARE PREMIUM**

	2002	2001
	£	£
Brought forward	30,000	30,000
Purchase of own shares	(6,710)	-
	<u>23,290</u>	<u>30,000</u>

**15. CAPITAL REDEMPTION RESERVE**

	2002	2001
	£	£
Purchase of own shares	<u>10,960</u>	<u>-</u>