REGISTERED NUMBER: 28084

Abbreviated Financial Statements

for the Period 29 July 2001 to 27 July 2002

for

D McGhee & Sons Ltd



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for the Period 29 July 2001 to 27 July 2002

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D McGhee & Sons Ltd

Company Information
for the Period 29 July 2001 to 27 July 2002

DIRECTORS:	G McGhee S McGhee I McGhee
SECRETARY:	I McGhee
REGISTERED OFFICE:	19 Murano Street Glasgow G20 7RQ
REGISTERED NUMBER:	28084
AUDITORS:	Campbell Dallas Chartered Accountants Registered Auditors Campbell House 126 Drymen Road Bearsden Glasgow G61 3RB

Report of the Directors for the Period 29 July 2001 to 27 July 2002

The directors present their report with the financial statements of the company for the period 29 July 2001 to 27 July 2002.

PRINCIPAL ACTIVITIES

The principal activities of the company in the period under review were those of production of morning goods and flour confectionery.

REVIEW OF BUSINESS

The results for the period and financial position of the company are as shown in the annexed financial statements.

The supermarket sector is still providing excellent opportunities for growth which coupled with the ongoing strategic plan will allow substantial growth in sales and the overall profitability of the company.

DIVIDENDS

No dividends will be distributed for the period ended 27 July 2002.

DIRECTORS

The directors during the period under review were:

G McGhee
S McGhee
I McGhee

The beneficial interests of the directors holding office on 27 July 2002 in the issued share capital of the company were as follows:

	27.7.02	29.7.01
Ordinary £1 shares		
G McGhee	14,000	14,000
S McGhee	14,000	14,000
I McGhee	14,000	14,000

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

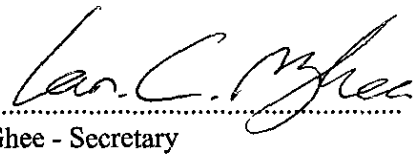
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Report of the Directors
for the Period 29 July 2001 to 27 July 2002

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

ON BEHALF OF THE BOARD:



I McGhee - Secretary

Date: 27:05:03

Report of the Independent Auditors to
D McGhee & Sons Ltd
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages five to twenty two, together with the full financial statements of the company for the period ended 27 July 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion
In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to twenty two are properly prepared in accordance with that provision.

Campbell Dallas
Chartered Accountants
Registered Auditors
Campbell House
126 Drymen Road
Bearsden
Glasgow G61 3RB

Campbell Dallas

Date: 27.5.03

D McGhee & Sons Ltd

Abbreviated Profit and Loss Account
for the Period 29 July 2001 to 27 July 2002

	Notes	Period 29.7.01 to 27.7.02 £	£	Period 30.7.00 to 28.7.01 £	£
GROSS PROFIT			1,897,227		1,969,094
Distribution costs		1,245,901		1,203,059	
Administrative expenses		809,829		687,703	
			2,055,730		1,890,762
OPERATING (LOSS)/PROFIT	3		(158,503)		78,332
Intercompany loan write off	4		675,698		-
			(834,201)		78,332
Interest payable and similar charges	5		58,276		67,469
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(892,477)		10,863
Tax on (loss)/profit on ordinary activities	6		1,618		17,886
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION			(894,095)		(7,023)
Retained profit brought forward			730,911		737,934
(DEFICIT)/RETAINED PROFIT CARRIED FORWARD			£(163,184)		£730,911

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current or previous periods.

The notes form part of these financial statements

Statement of Total Recognised Gains and Losses for the Period 29 July 2001 to 27 July 2002

	Period 29.7.01 to 27.7.02	Period 30.7.00 to 28.7.01
	£	£
LOSS FOR THE FINANCIAL PERIOD	(894,095)	(7,023)
Revaluation of property	750,000	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD	£(144,095)	£(7,023)

The notes form part of these financial statements

D McGhee & Sons Ltd

Abbreviated Balance Sheet
27 July 2002

	Notes	2002 £	2002 £	2001 £	2001 £
FIXED ASSETS:					
Tangible assets	7		1,924,355		1,371,829
Investments	8		210,300		-
			2,134,655		1,371,829
CURRENT ASSETS:					
Stocks	9	152,243		156,599	
Debtors	10	1,097,814		1,135,692	
Cash at bank and in hand		68,558		64,237	
		1,318,615		1,356,528	
CREDITORS: Amounts falling due within one year	11	2,288,241		1,391,085	
NET CURRENT LIABILITIES:			(969,626)		(34,557)
TOTAL ASSETS LESS CURRENT LIABILITIES:			1,165,029		1,337,272
CREDITORS: Amounts falling due after more than one year	12		(341,569)		(361,335)
PROVISIONS FOR LIABILITIES AND CHARGES:	16		(16,644)		(15,026)
ACCRUALS AND DEFERRED INCOME:	17		(10,000)		(20,000)
			£796,816		£940,911

The notes form part of these financial statements

D McGhee & Sons Ltd

Abbreviated Balance Sheet
27 July 2002

	Notes	2002 £	2002 £	2001 £	2001 £
CAPITAL AND RESERVES:					
Called up share capital	18		42,000		42,000
Revaluation reserve	19		900,000		150,000
Capital redemption reserve	20		18,000		18,000
Profit and loss account			(163,184)		730,911
SHAREHOLDERS' FUNDS:	24		£796,816		£940,911

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

ON BEHALF OF THE BOARD:

.....
G McGhee - Director

Approved by the Board on 27:05:03

The notes form part of these financial statements

D McGhee & Sons Ltd

Cash Flow Statement
for the Period 29 July 2001 to 27 July 2002

	Notes	Period 29.7.01 to 27.7.02 £	£	Period 30.7.00 to 28.7.01 £	£
Net cash *inflow* from operating activities	1		433,746		137,320
Returns on investments and servicing of finance	2		(58,276)		(67,469)
Capital expenditure and financial investment	2		(744,131)		(62,215)
			(368,661)		**7,636**
Financing	2		(129,756)		(131,647)
Decrease in cash in the period			**£(498,417)**		**£(124,011)**
Reconciliation of net cash flow to movement in net debt	3				
Decrease in cash in the period		**(498,417)**		**(124,011)**	
Cash outflow from decrease in debt and lease financing		74,202		76,091	
Change in net debt resulting from cash flows			(424,215)		(47,920)
New finance leases			(61,655)		(18,091)
Movement in net debt in the period			**(485,870)**		**(66,011)**
Net debt at 29 July			**(546,581)**		**(480,570)**
Net debt at 27 July			**£(1,032,451)**		**£(546,581)**

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Period 29 July 2001 to 27 July 2002

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period 29.7.01 to 27.7.02 £	Period 30.7.00 to 28.7.01 £
Operating (loss)/profit	(158,503)	78,332
Depreciation charges	260,155	281,270
Profit on sale of fixed assets	(14,737)	-
Grant released	(10,000)	(10,000)
Decrease in stocks	4,356	5,749
Decrease/(Increase) in debtors	37,878	(223,608)
Increase in creditors	314,597	5,577
Net cash inflow from operating activities	433,746	137,320

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Period 29.7.01 to 27.7.02 £	Period 30.7.00 to 28.7.01 £
Returns on investments and servicing of finance		
Interest paid	(45,555)	(55,250)
Interest element of hire purchase payments	(12,721)	(12,219)
Net cash outflow for returns on investments and servicing of finance	(58,276)	(67,469)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(26,789)	(62,215)
Subsidiary acquisitions	(757,842)	-
Sale of tangible fixed assets	40,500	-
Net cash outflow for capital expenditure	(744,131)	(62,215)

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Period 29 July 2001 to 27 July 2002

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - continued

	Period 29.7.01 to 27.7.02 £	Period 30.7.00 to 28.7.01 £
Financing		
Loan repayments in year	(129,756)	(131,647)
Net cash outflow from financing	(129,756)	(131,647)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 29.7.01 £	Cash flow £	Other non-cash changes £	At 27.7.02 £
Net cash:				
Cash at bank and in hand	64,237	4,321		68,558
Bank overdrafts	(506,444)	(502,738)		(1,009,182)
	(442,207)	(498,417)		(940,624)
Debt:				
Hire purchase	(104,374)	74,202	(61,655)	(91,827)
	(104,374)	74,202	(61,655)	(91,827)
Total	(546,581)	(424,215)	(61,655)	(1,032,451)
Analysed in Balance Sheet				
Cash at bank and in hand	64,237			68,558
Bank overdrafts	(506,444)			(1,009,182)
Hire purchase				
within one year	(50,816)			(59,621)
after one year	(53,558)			(32,206)
	(546,581)			(1,032,451)

The notes form part of these financial statements

Notes to the Abbreviated Financial Statements
for the Period 29 July 2001 to 27 July 2002

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 5% on cost and 2% on cost
Leasehold property	- Over the period of the lease
Plant and machinery	- at varying rates on cost
Motor vehicles	- 25% on cost

Stocks
Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions
The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the period are charged in the profit and loss account.

Government grants
Regional development and other capital grants are allocated to deferred grants account and released to profit evenly over the estimated useful lives of the assets concerned.

2. STAFF COSTS

	Period 29.7.01 to 27.7.02	Period 30.7.00 to 28.7.01
	£	£
Wages and salaries	2,715,759	2,550,338
Social security costs	214,349	155,464
Other pension costs	65,021	78,159
	2,995,129	2,783,961

The average monthly number of employees during the period was as follows:

	Period 29.7.01 to 27.7.02	Period 30.7.00 to 28.7.01
Production	122	116
Sales and distribution	81	89
Administration	22	21
	225	226

3. OPERATING (LOSS)/PROFIT

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

	Period 29.7.01 to 27.7.02	Period 30.7.00 to 28.7.01
	£	£
Depreciation - owned assets	203,159	235,278
Depreciation - assets on hire purchase contracts	56,996	45,992
Profit on disposal of fixed assets	(14,737)	-
Auditors' remuneration	9,000	9,000
Directors' emoluments	155,114	140,138

The number of directors to whom retirement benefits were accruing was as follows:

Defined benefit schemes	3	3

4. EXCEPTIONAL ITEMS

During the year, the liability from Scullions Wholesale Bakery Limited was reduced to reflect the amount repaid post year end:-

	£
Amount owed at 27 July 2002	863,698
Amount repaid post year end	188,000
Amount written off	675,698

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 29.7.01 to 27.7.02 £	Period 30.7.00 to 28.7.01 £
Bank interest	45,555	55,250
Hire purchase	12,721	12,219
	58,276	67,469

6. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows:

	Period 29.7.01 to 27.7.02 £	Period 30.7.00 to 28.7.01 £
Current tax:		
UK corporation tax	-	2,860
Deferred taxation	1,618	15,026
Tax on (loss)/profit on ordinary activities	1,618	17,886

UK corporation tax was charged at 18.47% in 2001.

7. TANGIBLE FIXED ASSETS

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
COST OR VALUATION:					
At 29 July 2001	1,047,449	36,500	1,688,711	227,716	3,000,376
Additions	8,238	-	59,665	20,541	88,444
Disposals	-	-	(107,199)	(33,915)	(141,114)
Surplus on revaluation	409,117	-	-	-	409,117
At 27 July 2002	1,464,804	36,500	1,641,177	214,342	3,356,823
DEPRECIATION:					
At 29 July 2001	359,016	20,828	1,087,622	161,081	1,628,547
Charge for period	34,727	5,096	191,477	28,855	260,155
Eliminated on disposals	-	-	(91,436)	(23,915)	(115,351)
Revaluation adjustment	(340,883)	-	-	-	(340,883)
At 27 July 2002	52,860	25,924	1,187,663	166,021	1,432,468
NET BOOK VALUE:					
At 27 July 2002	1,411,944	10,576	453,514	48,321	1,924,355
At 28 July 2001	688,433	15,672	601,089	66,635	1,371,829

Cost or valuation at 27 July 2002 is represented by:

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
Valuation in 1997	1,300,000	-	-	-	1,300,000
Cost	164,804	36,500	1,641,177	214,342	2,056,823
	1,464,804	36,500	1,641,177	214,342	3,356,823

If freehold property had not been revalued it would have been included at the following historical cost:

	2002	2001
	£	£
Cost	905,687	897,449
Aggregate depreciation	388,376	359,016
Value of land in freehold land and buildings	1,300,000	750,000

Freehold property was valued on an open market basis on 17 July 2002 by Culverwell & Company, Chartered Surveyors.

7. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 29 July 2001	316,583	13,240	329,823
Additions	56,765	8,995	65,760
Disposals	(73,730)	-	(73,730)
At 27 July 2002	299,618	22,235	321,853
DEPRECIATION:			
At 29 July 2001	112,905	3,575	116,480
Charge for period	51,986	5,010	56,996
Eliminated on disposals	(57,967)	-	(57,967)
At 27 July 2002	106,924	8,585	115,509
NET BOOK VALUE:			
At 27 July 2002	192,694	13,650	206,344
At 28 July 2001	203,678	9,665	213,343

8. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	210,300
At 27 July 2002	210,300
NET BOOK VALUE:	
At 27 July 2002	210,300

	2002	2001
	£	£
Unlisted investments	210,300	-

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

During the year, the company purchased 84% of the issued share capital of Fergusons Bakers Limited, a company incorporated in Scotland. At 27 July 2002 the capital and reserves of this company amounted to £250,555.

8. **FIXED ASSET INVESTMENTS - continued**

During the year, the company acquired 100% of the issued share capital of Scullions Wholesale Bakery Limited, a company incorporated in Scotland. At 27 July 2002 its share capital and reserves amounted to £nil.

9. **STOCKS**

	2002	2001
	£	£
Stock	100,633	92,663
Work in progress	30,645	54,905
Finished goods	20,965	9,031
	152,243	156,599

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

	2002	2001
	£	£
Trade debtors	799,820	814,770
Other debtors	57,826	232,385
Prepayments	52,168	88,537
Scullions Wholesale Bakery Ltd	188,000	-
	1,097,814	1,135,692

11. ***CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR***

	2002	2001
	£	£
Bank loans and overdrafts (see note 13)	1,135,754	562,000
Hire purchase contracts (see note 14)	59,621	50,816
Trade creditors	744,148	586,205
Other creditors	-	23,334
Fergusons Bakers Limited	37,863	-
Social security & other taxes	167,419	56,484
Taxation	2,860	2,860
Accrued expenses	140,576	109,386
	2,288,241	1,391,085

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £	2001 £
Bank loans (see note 13)	279,363	277,777
Other creditors	30,000	30,000
Hire purchase contracts (see note 14)	32,206	53,558
	341,569	361,335

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Bank overdrafts	1,009,182	506,444
Bank loans	126,572	55,556
	1,135,754	562,000
Amounts falling due between one and two years:		
Bank loans	84,128	55,556
Amounts falling due between two and five years:		
Bank loans	195,235	166,667
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	-	55,554

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2002	2001
	£	£
Gross obligations repayable:		
Within one year	69,131	59,181
Between one and five years	38,964	65,475
	108,095	124,656
Finance charges repayable:		
Within one year	9,510	8,365
Between one and five years	6,758	11,917
	16,268	20,282
Net obligations repayable:		
Within one year	59,621	50,816
Between one and five years	32,206	53,558
	91,827	104,374

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2002	2001	2002	2001
	£	£	£	£
Expiring:				
Within one year	58,380	51,098	9,787	30,240
Between one and five years	18,020	9,250	128,359	120,588
In more than five years	16,650	25,400	-	-
	93,050	85,748	138,146	150,828

15. SECURED DEBTS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdrafts	1,009,182	506,444
Bank loans	405,935	333,333
	1,415,117	839,777

The loan not wholly repayable within 5 years is a bank term loan at 2% per annum over Bank of Scotland base rate repayable in monthly instalments of £4,630.

The bank loan and overdraft are secured by a standard security over one of the company's heritable properties, a bond and floating charge over the company's assets and assignation over the life assurance policies of Mr G McGhee, a company director as well as cross guarantees by Scullions Wholesale Bakery Ltd and Fergusons Bakers Ltd.

16. PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred tax	16,644	15,026

	Deferred tax
	£
Balance at 29 July 2001	15,026
Provision for year	15,744
Losses available to off-set	(14,126)
Balance at 27 July 2002	16,644

Deferred tax provision

	2002	2001
	£	£
Accelerated capital allowances	16,644	15,026
	16,644	15,026

17. ACCRUALS AND DEFERRED INCOME

	2002	2001
	£	£
Deferred government grants		
Brought forward	20,000	30,000
To Profit & Loss Account	(10,000)	(10,000)
	10,000	20,000

Notes to the Abbreviated Financial Statements
for the Period 29 July 2001 to 27 July 2002

18. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2002 £	2001 £
60,000	Ordinary	£1	60,000	60,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
42,000	Ordinary	£1	42,000	42,000

19. REVALUATION RESERVE

	2002 £	2001 £
Brought forward	150,000	150,000
Revaluation during period	750,000	-
	900,000	150,000

20. CAPITAL REDEMPTION RESERVE

	2002 £	2001 £
Purchase of own shares	18,000	18,000

21. PENSION COMMITMENTS

Until the 6th April 2001, the company operated a funded, defined benefit scheme for all qualified employees and contributions were determined by the scheme actuary on the basis of triennial valuations. The assets of the scheme were held seperately from the company's being invested with insurance companies.

The last actuarial valuation was carried out as at 6 April 1998 using the projected unit credit method and the notional value of the Deposit Administration Scheme as at the valuation date was £650,775. This actuarial value was sufficient to cover 88% of the benefits which had accrued to members. At the valuation date, there was no deficiency on a current funding basis.

The following actuarial assumptions were applied in the valuation as at 6 April 1998:

Rate of interest	7.0% per annum
Salary growth	5.5% per annum

This Scheme is currently being wound up.

A new Scheme, GPP, is now in place and offered to all employees.

The pension charge for the year was £65,021. This was in respect of the new Scheme.

22. CONTINGENT LIABILITIES

The company has cross guaranteed the following borrowings of Fergusons Bakers Limited (see note 24):-

Loans due amounting to £47,500 at 27 July 2002.

23. RELATED PARTY DISCLOSURES

The company directors are also the directors of a 100% owned subsidiary company, Scullions Wholesale Bakery Limited, a company incorporated in Scotland and an 84% owned subsidiary company, Fergusons Bakers Limited, a company incorporated in Scotland.

During the year the following transactions took place with Scullions Wholesale Bakery Limited and Fergusons Bakers Limited, in the course of ordinary business:-

Sales to Scullions Wholesale Bakery Limited	£266,369
Purchases from Scullions Wholesale Bakery Limited	£105,308
Sales to Fergusons Bakers Limited	£156,532
Purchases from Fergusons Bakers Limited	£359,772

The net balance owed by Scullions Wholesale Bakery Limited at 27 July 2002 amounted to £188,000.

The net balance owed to Fergusons Bakers Limited at 27 July 2002 amounted to £37,863.

In addition, the company has guaranteed obligations of Scullions Wholesale Bakery Limited and Fergusons Bakers Limited.

All sums are Cross Guaranteed between the three companies.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Loss for the financial period	(894,095)	(7,023)
Other recognised gains and losses relating to the period (net)	750,000	-
Net reduction of shareholders' funds	(144,095)	(7,023)
Opening shareholders' funds	940,911	947,934
Closing shareholders' funds	796,816	940,911
Equity interests	796,816	940,911

25. GROUP ACCOUNTS

D McGhee & Sons Limited and its' subsidiaries are exempt from preparing consolidated accounts on the basis that the group qualifies as a medium sized group and is therefore exempt.