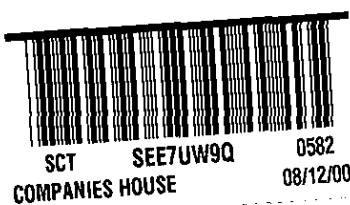

JOHN GUTHRIE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2000



JOHN GUTHRIE LIMITED

Company Information

Directors	T Roy Callander Gail A Callander
Secretary	Gail A Callander
Company Number	30207
Registered Office	40 Market Street Forfar Angus DD8 3EW
Auditors	Reeves & Neylan Chartered Accountants & Registered Auditors 15 South Ward Road Dundee DD1 1PU

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2000

The directors present their report and the financial statements for the year ended 30 June 2000.

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.

Principal activities

The company's principal activity continues to be that of grain, potato and fertiliser merchants.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	<u>Ordinary shares of £1</u> <u>each</u>	
	<u>30/6/00</u>	<u>1/7/99</u>
T Roy Callander	15,500	15,500
Gail A Callander	10,000	10,000

Auditors

The auditors, Reeves & Neylan, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 20 November 2000 and signed on its behalf.

Gail A Callander
Secretary



AUDITORS' REPORT TO THE SHAREHOLDERS OF JOHN GUTHRIE LIMITED

We have audited the financial statements on pages 3 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 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.

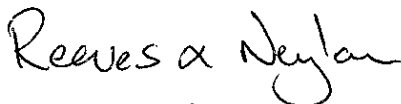
Basis of opinion

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 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 as at 30 June 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Reeves & Neylan

Chartered Accountants & Registered Auditors
15 South Ward Road
Dundee
DD1 1PU

24 November 2000

PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2000

	Note	2000 £	1999 £
TURNOVER	1	3,236,569	3,423,089
Cost of sales		<u>(3,047,405)</u>	<u>(3,231,386)</u>
GROSS PROFIT		189,164	191,703
Administrative expenses		<u>(117,754)</u>	<u>(137,580)</u>
OPERATING PROFIT	2	71,410	54,123
Income from other fixed asset investments		975	307
Profit on disposal of investments		21,940	-
Interest receivable		1,785	3,508
Interest payable		<u>(237)</u>	<u>(557)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		95,873	57,381
TAX ON PROFIT ON ORDINARY ACTIVITIES	3	<u>(19,000)</u>	<u>(11,668)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		76,873	45,713
DIVIDENDS		<u>(30,000)</u>	<u>(28,400)</u>
RETAINED PROFIT FOR THE YEAR		46,873	17,313
RETAINED PROFIT BROUGHT FORWARD		<u>104,725</u>	<u>87,412</u>
RETAINED PROFIT CARRIED FORWARD		<u>£ 151,598</u>	<u>£ 104,725</u>

The notes on pages 5 to 8 form part of these financial statements.

JOHN GUTHRIE LIMITED

BALANCE SHEET
As at 30 June 2000

	Note	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible fixed assets	4		94,359		90,828
Investments	5		54,559		17,604
			148,918		108,432
CURRENT ASSETS					
Stocks		76		1,243	
Debtors	6	274,359		240,858	
Cash in hand		27		7	
		274,462		242,108	
CREDITORS: amounts falling due within one year	7	(210,816)		(185,308)	
NET CURRENT ASSETS			63,646		56,800
TOTAL ASSETS LESS CURRENT LIABILITIES			212,564		165,232
PROVISIONS FOR LIABILITIES AND CHARGES	8		(2,811)		(2,352)
NET ASSETS			£ 209,753		£ 162,880
CAPITAL AND RESERVES					
Called up share capital	9		25,500		25,500
Other reserves			32,655		32,655
Profit and loss account			151,598		104,725
SHAREHOLDERS' FUNDS			£ 209,753		£ 162,880

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 20 November 2000 and signed on its behalf.

T R Callander



Director

The notes on pages 5 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2000

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The financial statements have been 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 March 2000) and include the results of the company's operations which are described in the Directors' Report.

1.2 Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furnishings & fittings	-	10%	per annum
Motor vehicles	-	20%	per annum

No depreciation has been provided on heritable property.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2000 £	1999 £
Depreciation of tangible fixed assets		
- owned by the company	7,903	6,946
Auditors' remuneration	3,365	3,450
Directors' emoluments (including pension contributions)	40,938	42,736
Pension costs	6,943	6,946
	<u>59,149</u>	<u>59,078</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2000

3. TAXATION

	2000 £	1999 £
Current year taxation		
UK corporation tax at 20% (1999 - 21 & 20%)	18,466	11,463
Transfer to deferred taxation	459	205
	<u>18,925</u>	<u>11,668</u>
Prior years		
UK corporation tax	75	-
	<u>£ 19,000</u>	<u>£ 11,668</u>

4. TANGIBLE FIXED ASSETS

	Heritable property £	Furnishings & fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 1999	42,000	29,341	46,438	117,779
Additions	-	4,119	25,025	29,144
Disposals	-	-	(22,138)	(22,138)
At 30 June 2000	<u>42,000</u>	<u>33,460</u>	<u>49,325</u>	<u>124,785</u>
Depreciation				
At 1 July 1999	-	16,405	10,546	26,951
Charge for the year	-	1,517	6,386	7,903
On disposals	-	-	(4,428)	(4,428)
At 30 June 2000	<u>-</u>	<u>17,922</u>	<u>12,504</u>	<u>30,426</u>
Net Book Value				
At 30 June 2000	<u>42,000</u>	<u>£ 15,538</u>	<u>36,821</u>	<u>94,359</u>
At 30 June 1999	<u>42,000</u>	<u>12,936</u>	<u>35,892</u>	<u>90,828</u>

The heritable property is included at the 1992 open market value.

On the historical cost basis, land and buildings would have been included as follows:

	2000 £	1999 £
Cost	9,345	9,345
Cumulative depreciation	-	-
Net book value	<u>£ 9,345</u>	<u>£ 9,345</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2000

5. FIXED ASSET INVESTMENTS

		Other investments £
Cost		
At 1 July 1999		17,604
Additions		64,804
Disposals		(27,849)
		<u>54,559</u>
At 30 June 2000		
Net Book Value		
At 30 June 2000		£ 54,559
		<u>£ 17,604</u>
At 30 June 1999		
	2000	1999
	£	£
Other investments		
Listed	54,419	17,464
Unlisted	140	140
	<u>£ 54,559</u>	<u>£ 17,604</u>

At 30 June 2000, the listed investments had a market value of £52,570 (1999 - £27,096).

6. DEBTORS

	2000 £	1999 £
Due within one year		
Trade debtors	257,789	234,004
Other debtors	16,570	6,854
	<u>£ 274,359</u>	<u>£ 240,858</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2000

7. CREDITORS:**Amounts falling due within one year**

	2000 £	1999 £
Bank loans and overdrafts	24,525	24,871
Trade creditors	139,514	124,464
Corporation tax	18,466	7,674
Other creditors	28,311	28,299
	<u>£ 210,816</u>	<u>£ 185,308</u>

Included within other creditors is an amount of £2,775 (1999 - £2,396) relating to social security and other taxes.

8. PROVISIONS FOR LIABILITIES AND CHARGES

	2000 £	1999 £
Deferred Tax		
At 1 July 1999	2,352	2,147
Charge for the year	459	205
	<u>£ 2,811</u>	<u>£ 2,352</u>
At 30 June 2000		

Deferred taxation provided in the accounts and the amounts not provided are as follows:

	2000 Amount provided £	2000 Amount not provided £	1999 Amount provided £	1999 Amount not provided £
Accelerated capital allowances	<u>2,811</u>	<u>-</u>	<u>2,352</u>	<u>-</u>

9. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised		
30,000 Ordinary shares of £1.00 each	<u>£ 30,000</u>	<u>£ 30,000</u>
Allotted, called up and fully paid		
25,500 Ordinary shares of £1.00 each	<u>£ 25,500</u>	<u>£ 25,500</u>