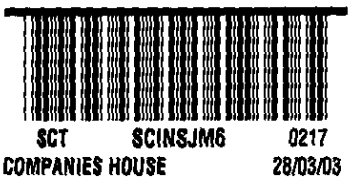
REGISTRAR

Registration number 32256

A J Allan (Blairnyle) Ltd

Directors' report and financial statements

for the year ended 31 May 2002



A J Allan (Blairnyle) Ltd

Company information

Directors	A T Allan W W Allan
Secretary	A T Allan
Company number	32256
Registered office	Blairnyle Farm Alexandria Dunbartonshire G83 8RR
Accountants	Alexander Sloan Chartered Accountants 144 West George Street Glasgow G2 2HG
Business address	Blairnyle Farm Alexandria Dunbartonshire G83 8RR
Bankers	Bank of Scotland 17 High Street Dumbarton G82 1NF

A J Allan (Blairnyle) Ltd

Directors' report
for the year ended 31 May 2002

The directors present their report and the financial statements for the year ended 31 May 2002.

Principal activity
The principal activity of the company is farming.

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

	Ordinary shares	
	31/05/02	01/06/01
A T Allan	50	50
W W Allan	50	50

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;
- 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.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

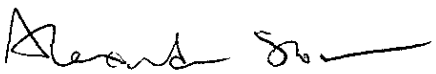
This report was approved by the Board on 24 March 2003 and signed on its behalf by

A T Allan
Secretary

A.T. Allan. (SECRETARY)

Accountants' report on the unaudited financial statements to the directors of A J Allan (Blairnyle) Ltd

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 May 2002 set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



Alexander Sloan
Chartered Accountants

144 West George Street
Glasgow
G2 2HG

Date: 24 March 2003

A J Allan (Blairnyle) Ltd

Profit and loss account
for the year ended 31 May 2002

	Notes	2002 £	2001 £
Turnover	2	10,328	19,658
Cost of sales		(16,403)	(7,838)
Gross (loss)/profit		(6,075)	11,820
Administrative expenses		(54,443)	(40,372)
Other operating income		62,491	4,996
Operating profit/(loss)	3	1,973	(23,556)
Interest payable and similar charges		(13,105)	(15,023)
Loss for the year		(11,132)	(38,579)
Retained profit brought forward		68,960	107,539
Retained profit carried forward		57,828	68,960

The notes on pages 6 to 8 form an integral part of these financial statements.

A J Allan (Blairnyle) Ltd

Balance sheet
as at 31 May 2002

	Notes	2002 £	2002 £	2001 £	2001 £
Fixed assets					
Investments	5		70		70
Tangible assets	6		200,732		205,289
			200,802		205,359
Current assets					
Stocks		100,533		107,091	
Debtors	7	11,825		4,857	
		112,358		111,948	
Creditors: amounts falling due within one year	8	(215,788)		(202,136)	
Net current liabilities			(103,430)		(90,188)
Total assets less current liabilities			97,372		115,171
Creditors: amounts falling due after more than one year	9		(39,444)		(46,111)
Net assets			57,928		69,060
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account			57,827		68,961
Shareholders' funds			57,927		69,061

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

Balance sheet (continued)

Directors' statements required by Section 249B(4) for the year ended 31 May 2002

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 May 2002 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 24 March 2003 and signed on its behalf by

A T Allan
Director

A.T. Allan (DIRECTOR)

The notes on pages 6 to 8 form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 May 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during 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:

Plant and machinery	-	5% - 22.5% reducing balance
Motor vehicles	-	20% reducing balance

No depreciation has been charged on farmland and buildings as the directors are of the opinion that the property has a long useful life and accordingly any depreciation charge would be immaterial. The directors have also carried out an impairment review on the buildings and they are satisfied that no adjustment is required to the carrying value.

1.4. Stock

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

1.5. Deferred taxation

The directors consider that it is unlikely that a liability for deferred tax will arise in the forseeable future and no provision has been made.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit/(loss)

	2002	2001
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation and other amounts written off tangible assets	4,957	5,921

4. Directors' emoluments

	2002	2001
	£	£
Remuneration and other benefits	9,682	12,861

..... continued

5. Fixed asset investments

	Investments other than loans	Total
	£	£
At 1 June 2001	432	432
At 31 May 2002	432	432
Provision for diminution in value		
At 1 June 2001	362	362
At 31 May 2002	362	362
Net book values		
At 31 May 2002	70	70
At 31 May 2001	70	70

6. Tangible fixed assets

	Farmland & buildings	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 June 2001	170,992	141,484	10,052	322,528
Additions	-	400	-	400
At 31 May 2002	170,992	141,884	10,052	322,928
Depreciation				
At 1 June 2001	-	107,982	9,257	117,239
Charge for the year	-	4,798	159	4,957
At 31 May 2002	-	112,780	9,416	122,196
Net book values				
At 31 May 2002	170,992	29,104	636	200,732
At 31 May 2001	170,992	33,502	795	205,289

..... continued

7. Debtors	2002 £	2001 £
Trade debtors	3,525	3,291
Other debtors	7,551	1,566
Prepayments and accrued income	749	-
	11,825	4,857

8. Creditors: amounts falling due within one year	2002 £	2001 £
Bank overdraft (secured)	153,512	133,131
Bank loan (secured)	6,667	6,667
Other loan	-	800
Trade creditors	10,739	15,696
Other taxes and social security costs	117	1,854
Directors' accounts	41,619	40,960
Accruals and deferred income	3,134	3,028
	215,788	202,136

9. Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loan (secured)	39,444	46,111
Loans		
Repayable in five years or more	12,777	19,444

10. Share capital	2002 £	2001 £
Authorised		
100 Ordinary shares of 1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of 1 each	100	100