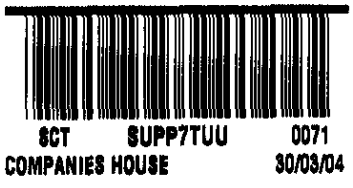
REGISTRAR

Registration number 32256

A J Allan (Blairnyle) Ltd

Directors' report and financial statements

for the year ended 31 May 2003



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 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 2003

The directors present their report and the financial statements for the year ended 31 May 2003.

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	
	31/05/03	**01/06/02**
A T Allan	50	50
W W Allan	50	50

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

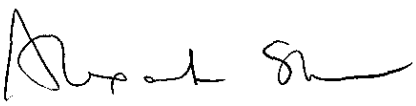
This report was approved by the Board on 22 March 2004 and signed on its behalf by

A.T. Allan.

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 2003 set out on pages 3 to 9 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: 22 March 2004

Profit and loss account
for the year ended 31 May 2003

	Notes	2003 £	2002 £
Turnover	2	33,471	10,328
Cost of sales		(55,569)	(16,403)
Gross loss		(22,098)	(6,075)
Administrative expenses		(53,338)	(54,443)
Other operating income		6,435	62,491
Operating (loss)/profit	3	(69,001)	1,973
Interest payable and similar charges		(14,367)	(13,105)
Loss on ordinary activities before taxation		(83,368)	(11,132)
Tax on loss on ordinary activities		-	-
Loss for the year		(83,368)	(11,132)
Retained profit brought forward		57,828	68,960
Accumulated (loss)/profit carried forward		(25,540)	57,828

The notes on pages 6 to 9 form an integral part of these financial statements.

A J Allan (Blairnyle) Ltd

Balance sheet
as at 31 May 2003

	Notes	2003 £	2003 £	2002 £	2002 £
Fixed assets					
Fixed asset investments	5		70		70
Tangible assets	6		196,608		200,732
			196,678		200,802
Current assets					
Stocks		51,743		100,533	
Debtors	7	16,650		11,825	
		68,393		112,358	
Creditors: amounts falling due within one year	8	(257,734)		(215,788)	
Net current liabilities			(189,341)		(103,430)
Total assets less current liabilities			7,337		97,372
Creditors: amounts falling due after more than one year	9		(32,777)		(39,444)
Net (liabilities)/assets			(25,440)		57,928
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account			(25,540)		57,828
Shareholders' funds			(25,440)		57,928

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 9 form an integral part of these financial statements.

Balance sheet (continued)

Directors' statements required by Section 249B(4) for the year ended 31 May 2003

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 2003 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 June 2002).

The financial statements were approved by the Board on 22 March 2004 and signed on its behalf by

A.T. Allan.

A T Allan
Director

The notes on pages 6 to 9 form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 May 2003

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 June 2002).

1.2. Turnover

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

1.3. Goodwill

1.4. 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.

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6. Stock

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

1.7. Pensions

The company operates a defined contribution scheme. Contributions are charged to the Profit and Loss Account as they become payable in accordance with the rules of the scheme.

1.8. Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Balance Sheet date, except as otherwise required by FRS 19.

2. Turnover

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

..... continued

3. Operating (loss)/profit

	2003 £	2002 £
Operating (loss)/profit is stated after charging:		
Depreciation and other amounts written off tangible assets	4,124	4,957

4. Directors' emoluments

	2003 £	2002 £
Remuneration and other benefits	10,082	9,682

5. Fixed asset investments

	Total £
Cost	
At 1 June 2002	432
At 31 May 2003	432
Provision for diminution in value	
At 1 June 2002	362
At 31 May 2003	362
Net book values	
At 31 May 2003	70
At 31 May 2002	70

..... continued

6. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 June 2002	170,992	141,884	10,052	322,928
At 31 May 2003	170,992	141,884	10,052	322,928
Depreciation				
At 1 June 2002	-	112,780	9,416	122,196
Charge for the year	-	3,997	127	4,124
At 31 May 2003	-	116,777	9,543	126,320
Net book values				
At 31 May 2003	170,992	25,107	509	196,608
At 31 May 2002	170,992	29,104	636	200,732

7. Debtors	2003 £	2002 £
Trade debtors	2,952	3,525
Other debtors	12,935	7,551
Prepayments and accrued income	763	749
	16,650	11,825

8. Creditors: amounts falling due within one year	2003 £	2002 £
Bank overdraft	201,512	153,512
Bank loan	6,667	6,667
Trade creditors	3,534	10,739
Other taxes and social security costs	1,952	117
Directors' accounts	41,038	41,619
Accruals and deferred income	3,031	3,134
	257,734	215,788

..... continued

9. Creditors: amounts falling due after more than one year	2003 £	2002 £
Bank loan	32,777	39,444
Loans		
Repayable in five years or more	6,110	12,777

The bank loan is secured over the assets of the company.

10. Share capital	2003 £	2002 £
Authorised		
100 Ordinary shares of 1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of 1 each	100	100