REGISTRAR

Registration number 32256

A J Allan (Blairnyle) Ltd

Directors' report and financial statements

for the year ended 31 May 2004



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 2004

The directors present their report and the financial statements for the year ended 31 May 2004.

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	
	31/05/04	**01/06/03**
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 29 March 2005 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 2004 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: 29 March 2005

Profit and loss account
for the year ended 31 May 2004

	Notes	2004 £	2003 £
Turnover	2	8,400	33,471
Cost of sales		(12,025)	(55,569)
Gross loss		(3,625)	(22,098)
Administrative expenses		(35,486)	(53,338)
Other operating income		-	6,435
Operating loss	3	(39,111)	(69,001)
Interest payable and similar charges		(14,846)	(14,367)
Loss on ordinary activities before taxation		(53,957)	(83,368)
Tax on loss on ordinary activities		-	-
Loss for the year		(53,957)	(83,368)
Accumulated (loss)/profit brought forward		(25,540)	57,828
Accumulated loss carried forward		(79,497)	(25,540)

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 2004

	Notes	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Fixed asset investments	**5**		70		70
Tangible assets	**6**		193,158		196,608
			193,228		196,678
Current assets					
Stocks		44,750		51,743	
Debtors	**7**	912		16,650	
		45,662		68,393	
Creditors: amounts falling due within one year	**8**	(292,176)		(257,734)	
Net current liabilities			(246,514)		(189,341)
Total assets less current liabilities			(53,286)		7,337
Creditors: amounts falling due after more than one year	**9**		(26,111)		(32,777)
Deficiency of assets			(79,397)		(25,440)
Capital and reserves					
Called up share capital	**10**		100		100
Profit and loss account			(79,497)		(25,540)
Shareholders' funds			(79,397)		(25,440)

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 2004

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 2004 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 29 March 2005 and signed on its behalf by

A. J. 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 2004

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. 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. Leasing

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

1.5. Stock

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

1.6. 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.

1.7. 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.

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3. Operating loss

	2004 £	2003 £
Operating loss is stated after charging:		
Depreciation and other amounts written off tangible assets	3,450	4,124

4. Directors' emoluments

	2004 £	2003 £
Remuneration and other benefits	8,054	10,082

5. Fixed asset investments

	Total £
Cost	
At 1 June 2003	432
At 31 May 2004	432
Provision for diminution in value	
At 1 June 2003	362
At 31 May 2004	362
Net book values	
At 31 May 2004	70
At 31 May 2003	70

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6. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 June 2003	170,992	141,884	10,052	322,928
At 31 May 2004	170,992	141,884	10,052	322,928
Depreciation				
At 1 June 2003	-	116,777	9,543	126,320
Charge for the year	-	3,348	102	3,450
At 31 May 2004	-	120,125	9,645	129,770
Net book values				
At 31 May 2004	170,992	21,759	407	193,158
At 31 May 2003	170,992	25,107	509	196,608

7. Debtors	2004 £	2003 £
Trade debtors	-	2,952
Other debtors	912	12,935
Prepayments and accrued income	-	763
	912	16,650

8. Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft	207,216	201,512
Bank loan	6,667	6,667
Trade creditors	2,884	3,534
Other taxes and social security costs	1,319	1,952
Directors' accounts	68,480	41,038
Accruals and deferred income	5,610	3,031
	292,176	257,734

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9. Creditors: amounts falling due after more than one year	2004 £	2003 £
Bank loan	26,111	32,777
Loans		
Repayable in five years or more	-	6,110

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

10. Share capital	2004 £	2003 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

11. Related party transactions

The directors have provided loans to the company. At the year end the following amounts were due by the company:-

A T Allan £32,725 W W Allan £35,755

A J Allan (Blairnyle) Ltd

Detailed trading profit and loss account and expenses schedule for the year ended 31 May 2004

	2004		2003	
	£	£	£	£
Sales				
Cattle		8,400		33,471
		8,400		33,471
Cost of sales				
Opening stock	51,743		100,533	
Purchases	5,032		6,779	
Closing stock	(44,750)		(51,743)	
		(12,025)		(55,569)
Gross loss		(3,625)		(22,098)
Administrative expenses				
Directors' remuneration	8,054		10,082	
Employer's NI contributions	1,036		1,193	
Rates and insurance	6,995		7,728	
Contracting costs	-		2,619	
Heat and light	4,634		3,800	
Repairs and maintenance	4,846		16,950	
Veterinary and medical costs	992		1,027	
Telephone	979		906	
Accountancy	1,974		1,898	
Bank charges	2,021		2,452	
General expenses	505		559	
Depreciation on plant and machinery	3,348		3,997	
Depreciation on motor vehicles	102		127	
		35,486		53,338
		(39,111)		(75,436)
Other operating income				
Wayleaves	-		176	
Grants and subsidies	-		6,259	
		-		6,435
Operating loss		(39,111)		(69,001)
Other income and expenses				
Interest payable				
Bank interest	12,556		11,188	
Interest on loans repayable in less than 5 years	2,290		3,179	

A J Allan (Blairnyle) Ltd

Detailed trading profit and loss account and expenses schedule for the year ended 31 May 2004

	2004		2003	
	£	£	£	£
		(14,846)		(14,367)
Net loss for the year		(53,957)		(83,368)