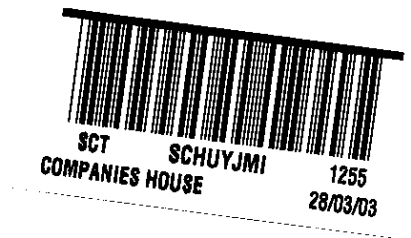


SAMUEL WHITE AND COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH MAY 2002



GREAVES WEST AND AYRE

CHARTERED ACCOUNTANTS

BERWICK UPON TWEED

SAMUEL WHITE AND COMPANY LIMITED

COMPANY INFORMATION

Directors	Andrew White Peter M. White Charles J. White
Secretary	J. Cullen
Company Number	SC 035310
Registered Office	Cullen Kilshaw Royal Bank Chambers Melrose TD6 9PE
Accountants	Greaves West and Ayre Chartered Accountants 1/3 Sandgate Berwick upon Tweed TD15 1EW
Business Address	Bowshiel Grantshouse Berwickshire TD11 3RX
Bankers	Royal Bank of Scotland plc St. Dunstons High Street Melrose TD6 9PF
Solicitors	Cullen Kilshaw Royal Bank Chambers Melrose TD6 9PE

SAMUEL WHITE AND COMPANY LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 28TH MAY 2002

The directors present their report and the financial statements for the year ended 28th 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:

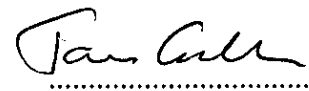
	Ordinary shares	
	2002	2001
Andrew White	2,917	2,917
Peter M. White	2,917	2,917
Charles J. White	2,916	2,916

Exemptions

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 19th February 2003

And signed on its behalf by


.....
J. Cullen
Secretary

SAMUEL WHITE AND COMPANY LIMITED
BALANCE SHEET AS AT 28TH MAY 2002

<u>2001</u>		<u>Notes</u>	<u>2002</u>
£			£
	Fixed Assets		
1,006,077	Tangible assets	3	1,017,661
660	Investments	4	-
1,006,737			1,017,661
	Current Assets		
72,809	Stocks		79,163
52,825	Debtors	5	31,790
125,634			110,953
	Creditors : Amounts falling		
(256,157)	due within one year	6	(229,020)
(130,523)	Net Current Liabilities		(118,067)
876,214	Total Assets Less Current Liabilities		899,594
	Creditors : Amounts falling due		
(5,217)	after more than one year	7	(5,000)
	Provision for Liabilities		
(14,112)	and Charges	8	(15,217)
856,885	Net Assets		879,377

The notes on pages 5 to 12 form an integral part of these financial statements.

SAMUEL WHITE AND COMPANY LIMITED
BALANCE SHEET AS AT 28TH MAY 2002

<u>2001</u>		<u>Notes</u>	<u>2002</u>
£			£
	Capital and Reserves		
10,000	Called up share capital	9	10,000
187,491	Other reserves	10	187,491
659,394	Profit and loss account	10	681,886
<u>856,885</u>	Shareholders' Funds		<u>879,377</u>

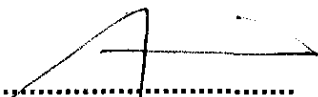
In the directors opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 28th May 2002. No member of the company has deposited a notice under section 249B(2) requiring an audit of these accounts.

The directors are responsible for ensuring the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and its profit or loss for each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002)

The financial statements were approved by the Board on 19th February 2003

And signed on its behalf by



Andrew White, Director



Charles J. White, Director

The notes on pages 5 to 12 form an integral part of these financial statements.

SAMUEL WHITE AND COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28TH MAY 2002

<u>2001</u>		<u>Notes</u>	<u>2002</u>
£			£
270,171	Turnover	2	215,571
(124,136)	Cost of sales		(51,529)
<u>146,035</u>	Gross profit		<u>164,042</u>
(154,997)	Administrative expenses		(113,212)
7,930	Other operating income		19,074
<u>(1,032)</u>	Operating profit/(loss)	11	<u>69,904</u>
2,956	Profit on sale of fixed assets		4,736
<u>1,924</u>	Profit on ordinary activities before interest		<u>74,640</u>
-	Interest receivable and similar income		450
-	Amount written off investments	12	(660)
<u>(11,295)</u>	Interest payable and similar charges	13	<u>(4,936)</u>
<u>(9,371)</u>	Profit/(loss) on ordinary activities before taxation		<u>69,494</u>
2,114	Tax on profit/(loss) on ordinary activities	15	(13,003)
<u>(7,257)</u>	Profit/(loss) on ordinary activities after taxation		<u>56,491</u>
-	Dividends		(34,000)
<u>(7,257)</u>	Retained profit/(loss) for the year		<u>22,491</u>
666,651	Retained profit brought forward		659,395
<u>659,394</u>	Retained profit carried forward		<u>681,886</u>

The notes on pages 5 to 12 form an integral part of these financial statements.

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and 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:

Farm Plant	- 15% Reducing Balance
Implements	- 15% Reducing Balance
Field Implements	- 20% Reducing balance
Tractors	- 25% Reducing Balance
Motor Vehicles	- 25% Reducing Balance
Office Equipment	- 20% Reducing Balance

No depreciation has been provided on Livestock Herds. This represents a departure from Financial Reporting Standard 15. In the directors opinion, the net realisable value is greater than the net book value in the accounts. Any annual charge and accumulated depreciation would not be material to the accounts.

1.4. Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account evenly over the period of the lease.

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

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Stock

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

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

1.7. Deferred taxation

Provision is made for deferred taxation using the liability method at the rate of 20% to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

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

3. Tangible fixed assets

	<u>Livestock</u> <u>Herd</u>	<u>Freehold</u> <u>Property</u>	<u>Property</u> <u>Improvements</u>	<u>Farm</u> <u>Plant</u>	<u>Implements</u>
	£	£	£	£	£
Cost					
Brought Forward	47,325	822,043	16,114	13,950	135,766
Additions	-	-	-	-	9,807
Disposals	(1,926)	-	-	-	-
	<u>45,399</u>	<u>822,043</u>	<u>16,114</u>	<u>13,950</u>	<u>145,573</u>
Depreciation					
Brought Forward	-	-	16,114	6,951	101,585
On disposals	-	-	-	-	-
Charge for the year	-	-	-	1,050	6,598
	<u>-</u>	<u>-</u>	<u>16,114</u>	<u>8,001</u>	<u>108,183</u>
Net book values					
At 28th May 2002	<u>45,399</u>	<u>822,043</u>	<u>-</u>	<u>5,949</u>	<u>37,390</u>
At 28th May 2001	<u>47,325</u>	<u>822,043</u>	<u>-</u>	<u>6,999</u>	<u>34,181</u>

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

	<u>Field Implements</u>	<u>Tractors</u>	<u>Motor Vehicles</u>	<u>Office Equipment</u>	<u>Total</u>
	£	£	£	£	£
Cost					
Brought Forward	63,750	136,500	34,500	1,647	1,271,595
Additions	2,250	35,000	7,000	140	54,197
Disposals	-	(35,600)	-	-	(37,526)
	<u>66,000</u>	<u>135,900</u>	<u>41,500</u>	<u>1,787</u>	<u>1,288,266</u>
Depreciation					
Brought Forward	45,011	72,296	22,757	804	265,518
On disposals	-	(24,336)	-	-	(24,336)
Charge for the year	4,123	14,372	3,083	197	29,423
	<u>49,134</u>	<u>62,332</u>	<u>25,840</u>	<u>1,001</u>	<u>270,605</u>
Net book values					
At 28th May 2002	<u>16,866</u>	<u>73,568</u>	<u>15,660</u>	<u>786</u>	<u>1,017,661</u>
At 28th May 2001	<u>18,739</u>	<u>64,204</u>	<u>11,743</u>	<u>843</u>	<u>1,006,077</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	<u>2002</u>		<u>2001</u>	
	<u>Net</u>	<u>Depreciation</u>	<u>Net</u>	<u>Depreciation</u>
	<u>Book Value</u>	<u>Charge</u>	<u>Book Value</u>	<u>Charge</u>
	£	£	£	£
Tractors	<u>48,093</u>	<u>6,990</u>	<u>24,083</u>	<u>4,817</u>

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

4. Fixed asset investments

	<u>Unlisted Investments</u>
	£
Cost	
At 29th May 2001	660
Disposals	(660)
At 28th May 2002	-
Net book values	
At 28th May 2001	660

5. Debtors

	<u>2002</u>	<u>2001</u>
	£	£
Trade debtors	21,775	49,208
Other debtors	8,376	2,140
Prepayments and accrued income	1,639	1,477
	31,790	52,825

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

6. Creditors : Amounts falling due within one year	<u>2002</u>	<u>2001</u>
	£	£
Bank overdraft	76,310	136,791
Net obligations under finance leases and hire purchase contracts	10,217	5,217
Trade creditors	9,910	4,532
Corporation tax	11,898	-
Other taxes and social security costs	737	499
Directors' accounts	53,267	49,800
Other creditors	60	60
Accruals and deferred income	32,621	59,258
Proposed dividend	34,000	-
	<u>229,020</u>	<u>256,157</u>

The bank overdraft is secured by a standard security over the company's farm and buildings.

7. Creditors : Amounts falling due after more than one year	<u>2002</u>	<u>2001</u>
	£	£
Net obligations under finance leases and hire purchase contracts	<u>5,000</u>	<u>5,217</u>

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

8. Provisions for liabilities and charges

Deferred tax is analysed over the following timing differences:

	<u>Provided</u>	
	<u>2002</u>	<u>2001</u>
	£	£
Accelerated capital allowances	15,217	14,112

Movements on the provision for deferred taxation are:

	<u>2002</u>	<u>2001</u>
	£	£
At 29th May 2001	14,112	14,709
Transferred from profit and loss account	1,105	(597)
At 28th May 2002	15,217	14,112

9. Share capital

	<u>2002</u>	<u>2001</u>
	£	£
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10,000	10,000

10. Reserves

	<u>Profit And Loss Account</u>	<u>Capital Reserves</u>	<u>Total</u>
	£	£	£
At 29th May 2001	659,395	187,491	846,886
Retained profit/(loss) for the year	22,491		22,491
At 28th May 2002	681,886	187,491	869,377

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

11. Operating profit/(loss)	<u>2002</u>	<u>2001</u>
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	29,423	34,270
	<u> </u>	<u> </u>
12. Amounts written off investments	<u>2002</u>	<u>2001</u>
	£	£
Amounts written off investments in prior years written back :		
- fixed assets	660	-
	<u> </u>	<u> </u>
13. Interest payable and similar charges	<u>2002</u>	<u>2001</u>
	£	£
Included in this category is the following:		
On loans and overdrafts	4,936	11,289
Other Interest	-	6
	<u> </u>	<u> </u>
	4,936	11,295
	<u> </u>	<u> </u>
14. Directors' emoluments	<u>2002</u>	<u>2001</u>
	£	£
Remuneration and other benefits	25,742	52,638
	<u> </u>	<u> </u>
15. Taxation	<u>2002</u>	<u>2001</u>
	£	£
UK current year taxation		
UK Corporation Tax	11,898	(1,517)
Transfer to deferred taxation	1,105	(597)
	<u> </u>	<u> </u>
	13,003	(2,114)
	<u> </u>	<u> </u>

SAMUEL WHITE AND COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MAY 2002

..... continued

16. Financial commitments

At 28th May 2002 the company had annual commitments under non-cancellable operating leases as follows:

	<u>2002</u>	<u>2001</u>
	£	£
Expiry date:		
In over five years	<u>4,000</u>	<u>4,000</u>

17. Related party transactions

During the year the company was due to pay £7,599 to Mrs. R. White who is the wife of the director A. White. The amount outstanding at the year end was £4,303.