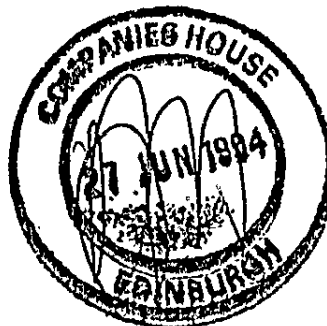


BEARCROFT FARMS LTD
(REGISTERED NUMBER 39708)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 1993



BEARCROFT FARMS LTD

DIRECTORS

E. Atkin
T.M. Atkin, Chairman
M. Atkin
A. Robb
A. Atkin

SECRETARY

E. Atkin

BUSINESS ADDRESS

Hollywood
DUMFRIES
DG2 0RJ

REGISTERED OFFICE

Hollywood
DUMFRIES
DG2 0RJ

AUDITORS

French Jarvie Macharg
Chartered Accountants
375 West George street
GLASGOW
G2 4LH

SOLICITORS

John Henderson & sons
8 Bank street
DUMFRIES
DG1 2NS

PRINCIPAL BANKERS

The Bank of Scotland plc
201 Union Street
ABERDEEN
AB9 1UN

BEARCROFT FARMS LTD

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BEARCROFT FARMS LTD

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 December 1993.

PRINCIPAL ACTIVITIES

The principal activity of the Company is Farming.

DIRECTORS AND THEIR INTERESTS

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year were as follows:

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1993</u>	<u>1992</u>
E. Atkin	Ordinary shares class 1	5,671	5,671
T.M. Atkin, Chairman	Ordinary shares class 1	14,329	14,329
M. Atkin	Ordinary shares class 1	-	-
A. Robb	Ordinary shares class 1	-	-
A. Atkin	Ordinary shares class 1	-	-

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 period. In preparing those accounts, 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 accounts 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.

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, French Jarvie Macharg, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY DISCLOSURE

In preparing this report, the directors have taken advantage of the special exemptions applicable to small companies.

By Order of the Board

E. Atkin
Secretary



Date: 7 June 1994

BEARCROFT FARMS LTD

AUDITORS' REPORT TO THE SHAREHOLDERS OF BEARCROFT FARMS LTD

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of the directors and auditors

As described in the Directors' Report 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 affairs of the company as at 31 December 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



FRENCH JARVIE MACHARG
Registered Auditors
Chartered Accountants
375 West George street
GLASGOW
G2 4LH

Date: 7 June 1994

BEARCROFT FARMS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1993

	Notes	1993 £	1992 £
TURNOVER		183,783	108,122
Cost of sales		152	(310)
GROSS PROFIT		183,935	107,812
Administrative expenses		(82,942)	(68,931)
		100,993	38,881
Other operating income		9	32
OPERATING PROFIT	2	101,002	38,913
Interest receivable		373	506
Interest payable		(31,631)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		69,744	39,419
Tax on profit on ordinary activities		-	-
PROFIT FOR THE FINANCIAL YEAR	10	69,744	39,419

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

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

BEARCROFT FARMS LTD

BALANCE SHEET AT 31 DECEMBER 1993

	Notes	£	1993	£	1992	£
FIXED ASSETS						
Tangible assets	3		750,292		443,817	
Investments	4		51		51	
			<u>750,343</u>		<u>443,868</u>	
CURRENT ASSETS						
Stocks	5	542		390		
Debtors	6	1,667		2,073		
Cash at bank and in hand		2,280		1,246		
		<u>4,489</u>		<u>3,709</u>		
CREDITORS: Amounts falling due within one year	7	(340,384)		(302,874)		
NET CURRENT LIABILITIES			(335,895)		(299,165)	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>414,448</u>		<u>144,703</u>	
CAPITAL AND RESERVES						
Called up share capital	8		32,500		20,000	
Share premium account	9		201,016		13,516	
Profit and loss account	10		180,932		111,187	
			<u>414,448</u>		<u>144,703</u>	

Approved by the board of directors on 7 June 1994 and signed on its behalf. The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

T. M. Atkin

T.M. Atkin

)

E. Atkin

E. Atkin

)

Directors

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1993

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 DEPRECIATION

Depreciation is provided using the rates to reduce by annual instalments the cost of the tangible assets over their estimated useful lives:-

Plant and machinery etc. 25% Reducing balance

1.4 STOCK

Stocks are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Raw materials - cost of purchase on first in, first out basis

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.5 DEFERRED TAXATION

No provision is made for deferred taxation due to the accumulated tax loss position of the company.

1.6 LEASING AND HIRE PURCHASE

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

2. OPERATING PROFIT

1993	1992
£	£

The operating profit is stated after charging:-

Depreciation	1,795	737
Auditors' remuneration	1,260	1,200

<u>1,795</u>	<u>737</u>
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1993

3. TANGIBLE ASSETS

	Land and buildings £	Plant and machinery etc. £	Total £
<u>Cost</u>			
At 1 January 1993	441,607	48,493	490,100
Additions	303,299	8,625	311,924
Disposals	-	(9,024)	(9,024)
At 31 December 1993	744,906	48,094	793,000
<u>Depreciation</u>			
At 1 January 1993	-	46,283	46,283
Charge for year	-	1,795	1,795
On disposals	-	(5,370)	(5,370)
At 31 December 1993	-	42,708	42,708
<u>Net book value at 31 December 1993</u>	744,906	5,386	750,292
<u>Net book value at 31 December 1992</u>	441,607	2,210	443,817

4. INVESTMENTS

	Beginning of year £	Additions £	End of year £
<u>Cost</u>			
Other investments other than loans	51	-	51
	51	-	51
<u>Net book value</u>	51		51
<u>Other investments other than loans</u>	1993	1992	
	<u>Cost</u>	<u>Cost</u>	
	£	£	
Unlisted	51	51	

Investments comprise shares in Howard limited.

BEARCROFT FARMS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1993

5.	STOCKS	1993 £	1992 £
	Stocks	542	390
6.	DEBTORS	1993 £	1992 £
	Others	1,667	2,073
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1993 £	1992 £
	Bank overdrafts	159,538	220,019
	Trade creditors	10,759	8,861
	Other creditors	170,087	73,994
		340,384	302,874
8.	SHARE CAPITAL	1993 £	1992 £
	<u>Authorised</u> 32,500 Ordinary shares class 1 of £1 each	32,500	20,000
	<u>Allotted, called up and fully paid</u> 32,500 Ordinary shares class 1 of £1 each	32,500	20,000
9.	SHARE PREMIUM ACCOUNT	1993 £	1992 £
	Balance brought forward at 1 January 1993	13,516	13,516
	Premium on shares issued during the year	187,500	-
	Balance carried forward at 31 December 1993	201,016	13,516

BEARCROFT FARMS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1993

10. PROFIT AND LOSS ACCOUNT

	1993 £	1992 £
Retained profits at 1 January 1993	111,188	71,768
Profit for the financial year	69,744	39,419
Retained profits at 31 December 1993	<u>180,932</u>	<u>111,187</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1993 £	1992 £
PROFIT FOR THE FINANCIAL YEAR	69,744	39,419
New share capital subscribed	12,500	-
Premium on shares issued	187,500	-
NET ADDITION TO SHAREHOLDERS' FUNDS	<u>269,744</u>	<u>39,419</u>
Opening shareholders' funds	144,704	105,284
CLOSING SHAREHOLDERS' FUNDS	<u>414,448</u>	<u>144,703</u>