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COMPANY REGISTRATION NUMBER SC044504

HIGHLAND FINE CHEESES LTD
FINANCIAL STATEMENTS
31 MAY 2011

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COMPANIES HOUSE

A W GRAY & BUTLER

Chartered Accountants
10 Knockbreck Street
TAIN
Ross-Shire
IV19 1BJ

HIGHLAND FINE CHEESES LTD
FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2011

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HIGHLAND FINE CHEESES LTD

THE DIRECTORS' REPORT

YEAR ENDED 31 MAY 2011

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 May 2011.

PRINCIPAL ACTIVITIES

The company's principal activity during the year was the manufacturing of cheese products.

DIRECTORS

The directors who served the company during the year were as follows:

Mr R G V M Stone

Mrs S G H Stone

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
10 Knockbreck Street
Tain
Ross-shire
IV15 9GU

Signed by order of the directors



MR N SHAW
Company Secretary

Approved by the directors on 27 October 2011

HIGHLAND FINE CHEESES LTD
ACCOUNTANTS' REPORT TO THE DIRECTORS OF HIGHLAND FINE
CHEESES LTD
YEAR ENDED 31 MAY 2011

As described on the balance sheet, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 May 2011, set out on pages 3 to 11.

You consider that the company is exempt from an audit under the Companies Act 2006.

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 and explanations supplied to us.

10 Knockbreck Street
TAIN
Ross-Shire
IV19 1BJ

27 October 2011


A W GRAY & BUTLER
Chartered Accountants

HIGHLAND FINE CHEESES LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MAY 2011

	Note	2011 £	2010 £
TURNOVER		860,181	904,885
Cost of sales		<u>309,093</u>	<u>293,415</u>
GROSS PROFIT		551,088	611,470
Distribution costs		127,407	136,191
Administrative expenses		425,173	417,684
Other operating income	2	<u>(20)</u>	<u>(870)</u>
OPERATING (LOSS)/PROFIT	3	(1,472)	58,465
Interest payable and similar charges		3,118	2,638
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,590)	55,827
Tax on (loss)/profit on ordinary activities		<u>(1,814)</u>	<u>3,461</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(2,776)</u>	<u>52,366</u>

The notes on pages 7 to 11 form part of these financial statements.

HIGHLAND FINE CHEESES LTD
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 MAY 2011

	2011 £	2010 £
(Loss)/Profit for the financial year attributable to the shareholders	(2,776)	52,366
Unrealised profit on revaluation of certain fixed assets	<u>112,286</u>	<u>—</u>
Total gains and losses recognised since the last annual report	<u>109,510</u>	<u>52,366</u>

The notes on pages 7 to 11 form part of these financial statements.

HIGHLAND FINE CHEESES LTD

BALANCE SHEET

31 MAY 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Intangible assets	4	8,009	8,009
Tangible assets	5	203,604	105,460
Investments	6	150	150
		<u>211,763</u>	<u>113,619</u>
CURRENT ASSETS			
Stocks		97,074	93,971
Debtors	7	182,752	172,274
Cash at bank		19,188	—
		<u>299,014</u>	<u>266,245</u>
CREDITORS: Amounts falling due within one year	8	<u>173,806</u>	<u>225,543</u>
NET CURRENT ASSETS		<u>125,208</u>	<u>40,702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>336,971</u>	<u>154,321</u>
CREDITORS: Amounts falling due after more than one year	9	<u>80,672</u>	<u>7,532</u>
		<u>256,299</u>	<u>146,789</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	11,490	11,490
Revaluation reserve	12	112,286	—
Profit and loss account	13	132,523	135,299
SHAREHOLDERS' FUNDS		<u>256,299</u>	<u>146,789</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) 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 financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Balance sheet continues on the following page.

The notes on pages 7 to 11 form part of these financial statements.

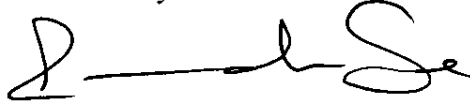
HIGHLAND FINE CHEESES LTD

BALANCE SHEET *(continued)*

31 MAY 2011

These financial statements were approved by the directors and authorised for issue on 27 October 2011, and are signed on their behalf by:

MR R G V M STONE
Director

A handwritten signature in black ink, appearing to be 'R G V M Stone', written over a horizontal line.

Company Registration Number: SC044504

The notes on pages 7 to 11 form part of these financial statements.

HIGHLAND FINE CHEESES LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	5% straight line
Plant & Machinery	-	25% reducing balance
Motor Vehicles	-	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

HIGHLAND FINE CHEESES LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2011

2. OTHER OPERATING INCOME

	2011	2010
	£	£
Other operating income	<u>20</u>	<u>870</u>

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting):

	2011	2010
	£	£
Directors' remuneration	—	577
Depreciation of owned fixed assets	27,868	29,826
Depreciation of assets held under hire purchase agreements	—	6,475
Loss/(Profit) on disposal of fixed assets	<u>2,625</u>	<u>(1,513)</u>

4. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 June 2010 and 31 May 2011	<u>8,009</u>
AMORTISATION	
At 1 June 2010 and 31 May 2011	<u>—</u>
NET BOOK VALUE	
At 31 May 2011	<u>8,009</u>
At 31 May 2010	<u>8,009</u>

HIGHLAND FINE CHEESES LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2011

5. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
COST OR VALUATION				
At 1 June 2010	75,567	283,329	42,500	401,396
Additions	—	34,350	—	34,350
Disposals	—	—	(42,500)	(42,500)
Revaluation	44,433	—	—	44,433
At 31 May 2011	120,000	317,679	—	437,679
DEPRECIATION				
At 1 June 2010	67,853	206,207	21,876	295,936
Charge for the year	—	27,868	—	27,868
On disposals	—	—	(21,876)	(21,876)
Revaluation adjustment	(67,853)	—	—	(67,853)
At 31 May 2011	—	234,075	—	234,075
NET BOOK VALUE				
At 31 May 2011	120,000	83,604	—	203,604
At 31 May 2010	7,714	77,122	20,624	105,460

Hire purchase agreements

Included within the net book value of £203,604 is £Nil (2010 - £19,425) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2010 - £6,475).

6. INVESTMENTS

	Total £
COST	
At 1 June 2010 and 31 May 2011	150
NET BOOK VALUE	
At 31 May 2011 and 31 May 2010	150

HIGHLAND FINE CHEESES LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2011

7. DEBTORS

	2011	2010
	£	£
Trade debtors	131,786	147,427
Corporation tax repayable	2,867	–
Other debtors	12,109	12,109
Directors current accounts	9,799	9,799
Prepayments and accrued income	26,191	2,939
	<u>182,752</u>	<u>172,274</u>

8. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	7,501	23,812
Trade creditors	108,424	139,928
Other creditors including taxation and social security:		
Corporation tax	–	3,461
PAYE and social security	2,423	3,025
Hire purchase agreements	–	5,317
Other creditors	50,000	50,000
Accruals and deferred income	5,458	–
	<u>173,806</u>	<u>225,543</u>

9. CREDITORS: Amounts falling due after more than one year

	2011	2010
	£	£
Bank loans	80,672	–
Hire purchase agreements	–	7,532
	<u>80,672</u>	<u>7,532</u>

10. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Stone throughout the current and previous year. Mr Stone is the managing director and majority shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under FRSSE.

11. SHARE CAPITAL

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
11,490 Ordinary shares of £1 each	<u>11,490</u>	<u>11,490</u>	<u>11,490</u>	<u>11,490</u>

HIGHLAND FINE CHEESES LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2011

12. REVALUATION RESERVE

	2011 £	2010 £
Revaluation of fixed assets	<u>112,286</u>	<u>—</u>
Balance carried forward	<u>112,286</u>	<u>—</u>

13. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	135,299	82,933
(Loss)/profit for the financial year	<u>(2,776)</u>	<u>52,366</u>
Balance carried forward	<u>132,523</u>	<u>135,299</u>