

**LOCH NESS MONSTER EXHIBITION CENTRE
LIMITED**

ABBREVIATED ACCOUNTS

31 OCTOBER 2002



RITSONS

Chartered Accountants & Registered Auditors
27 Huntly Street
Inverness
IV3 5PR

LOCH NESS MONSTER EXHIBITION CENTRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 October 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

27 Huntly Street
Inverness
IV3 5PR

30th October, 2003.

RITSONS
Chartered Accountants
& Registered Auditors

LOCH NESS MONSTER EXHIBITION CENTRE LIMITED

ABBREVIATED BALANCE SHEET

31 OCTOBER 2002

	Note	2002 £	2001 £
FIXED ASSETS	2		
Tangible assets		2,899,468	2,972,654
CURRENT ASSETS			
Debtors		75,153	66,918
Cash at bank and in hand		1,502	1,203
		<u>76,655</u>	<u>68,121</u>
CREDITORS: Amounts falling due within one year	3	<u>1,830,920</u>	<u>1,392,411</u>
NET CURRENT LIABILITIES		(1,754,265)	(1,324,290)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,145,203</u>	<u>1,648,364</u>
CREDITORS: Amounts falling due after more than one year	4	4,303	560,890
PROVISIONS FOR LIABILITIES AND CHARGES		20,700	-
GOVERNMENT GRANTS	5	<u>153,340</u>	<u>176,116</u>
		<u>966,860</u>	<u>911,358</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	100	100
Revaluation reserve		907,251	907,251
Profit and loss account		<u>59,509</u>	<u>4,007</u>
SHAREHOLDERS' FUNDS		<u>966,860</u>	<u>911,358</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 30th Oct 2003, and are signed on their behalf by:



 EAA BREMNER

The notes on pages 3 to 6 form part of these abbreviated accounts.

LOCH NESS MONSTER EXHIBITION CENTRE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 OCTOBER 2002

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 June 2002), subject to the departures referred to below.

Turnover

Turnover comprises the value of services supplied by the company exclusive of VAT.

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:

Property	-	1% on a straight line basis excluding land
Fixtures and fittings -		Ranging from 5% to 20% of NBV
Motor vehicles	-	25% of NBV

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.

LOCH NESS MONSTER EXHIBITION CENTRE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 OCTOBER 2002

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. FIXED ASSETS

	Tangible Assets £
COST OR VALUATION	
At 1 November 2001	3,369,212
Additions	1,422
Disposals	(49,935)
At 31 October 2002	<u>3,320,699</u>
DEPRECIATION	
At 1 November 2001	396,558
Charge for year	44,554
On disposals	(19,881)
At 31 October 2002	<u>421,231</u>
NET BOOK VALUE	
At 31 October 2002	<u>2,899,468</u>
At 31 October 2001	<u>2,972,654</u>

LOCH NESS MONSTER EXHIBITION CENTRE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 OCTOBER 2002

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>1,659,346</u>	<u>1,243,575</u>

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

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>-</u>	<u>534,375</u>

Included within creditors falling due after more than one year is an amount of £Nil (2001 - £384,375) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

5. GOVERNMENT GRANTS

	2002	2001
	£	£
Received and receivable	227,800	227,800
Amortisation	(74,460)	(51,684)
	<u>153,340</u>	<u>176,116</u>

6. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>