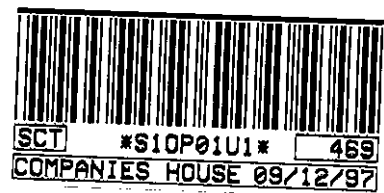


Abbreviated Financial Statements for the Year Ended 31 March 1997

for

Sgeir Mhor (Salmon) Limited

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Sgeir Mhor (Salmon) Limited

**Index to the Abbreviated Financial Statements
for the Year Ended 31 March 1997**

	Page
Company Information	1
Report of the Accountants	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	5

Sgeir Mhor (Salmon) Limited
Company Information
for the Year Ended 31 March 1997

DIRECTORS: E A Grant
Mrs M A Grant

SECRETARY: Mrs M A Grant

REGISTERED OFFICE: 2 Fisherfield
Portree
ISLE OF SKYE

REGISTERED NUMBER: 115721 (Scotland)

ACCOUNTANTS: Campbell Stewart MacLennan & Co
Chartered Accountants
Portree
Isle of Skye

Sgeir Mhor (Salmon) Limited

**Report of the Accountants to the Shareholders
on the Unaudited Financial Statements of
Sgeir Mhor (Salmon) Limited**

The following reproduces the text of the report prepared for the purposes of Section 249A(2) of the Companies Act 1985 in respect of the company's annual financial statements, from which the abbreviated financial statements (set out on pages three to six) have been prepared.

We report on the financial statements for the year ended 31 March 1997 set out on pages four to five.

Respective responsibilities of directors and reporting accountants

As described on page three the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



Campbell Stewart MacLennan & Co
Chartered Accountants
Portree
Isle of Skye

Dated: 18 November 1997

Sgeir Mhor (Salmon) Limited

**Abbreviated Balance Sheet
31 March 1997**

		<u>31.3.97</u>		<u>31.3.96</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	2		1,760		1,800
Tangible assets	3		<u>43,115</u>		<u>47,792</u>
			44,875		49,592
CURRENT ASSETS:					
Stocks		-		130,600	
Debtors		35,642		1,113	
Cash at bank		<u>48,213</u>		<u>273</u>	
		83,855		131,986	
CREDITORS: Amounts falling due within one year	4	<u>37,547</u>		<u>68,175</u>	
NET CURRENT ASSETS:			<u>46,308</u>		<u>63,811</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			91,183		113,403
CREDITORS: Amounts falling due after more than one year	4		<u>22,167</u>		<u>25,739</u>
			<u>£69,016</u>		<u>£87,664</u>
CAPITAL AND RESERVES:					
Called up share capital	5		10,000		10,000
Profit and loss account			<u>59,016</u>		<u>77,664</u>
Shareholders' funds			<u>£69,016</u>		<u>£87,664</u>

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ending 31 March 1997.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

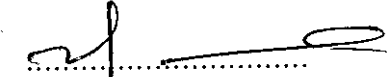
The notes form part of these financial statements

Sgeir Mhor (Salmon) Limited

**Abbreviated Balance Sheet
31 March 1997**

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'E A Grant', written over a horizontal dotted line.

E A Grant - DIRECTOR

Approved by the Board on 18 November 1997

The notes form part of these financial statements

Sgeir Mhor (Salmon) Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1997**

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on reducing balance and 20% on reducing balance

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Lease Hold Rights

Lease hold rights, being the amount paid in connection with the acquisition of a lease for sites for salmon cages, is being written off evenly over its estimated useful life of fifty years.

2. INTANGIBLE FIXED ASSETS

	Leasehold Rights
	£
COST:	
At 1 April 1996	
and 31 March 1997	<u>2,000</u>
AMORTISATION:	
At 1 April 1996	200
Charge for year	<u>40</u>
At 31 March 1997	<u>240</u>
NET BOOK VALUE:	
At 31 March 1997	<u><u>1,760</u></u>
At 31 March 1996	<u><u>1,800</u></u>

Sgeir Mhor (Salmon) Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1997**

3. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST:	
At 1 April 1996	
and 31 March 1997	<u>81,317</u>
DEPRECIATION:	
At 1 April 1996	33,525
Charge for year	<u>4,677</u>
At 31 March 1997	<u>38,202</u>
NET BOOK VALUE:	
At 31 March 1997	<u>43,115</u>
At 31 March 1996	<u>47,792</u>

4. CREDITORS

Creditors include the following debts falling due in more than five years:

	31.3.97	31.3.96
	£	£
Repayable by instalments		
HIE loans	<u>2,066</u>	<u>7,121</u>

5. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.3.97	31.3.96
		value:	£	£
100,000	Ordinary	£1.00	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.3.97	31.3.96
		value:	£	£
10,000	Ordinary	£1.00	<u>10,000</u>	<u>10,000</u>