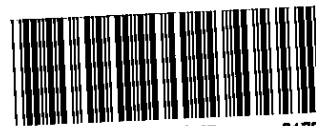


**LOTHIAN HERBS
(EDINBURGH) LIMITED**

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 1999

WHITELAW WELLS
Chartered Accountants & Registered Auditors
9 Ainslie Place
Edinburgh
EH3 6AT



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COMPANIES HOUSE 15/03/00

JM

LOTHIAN HERBS (EDINBURGH) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 1999

CONTENTS	PAGES
Auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated financial statements	3 to 4

LOTHIAN HERBS (EDINBURGH) LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 2 to 4, together with the financial statements of the company for the year ended 30th June 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements 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 financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.

9 Ainslie Place
Edinburgh
EH3 6AT

6th October 1999


WHITELAW WELLS
Chartered Accountants
& Registered Auditors

LOTHIAN HERBS (EDINBURGH) LIMITED

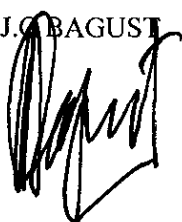
ABBREVIATED BALANCE SHEET

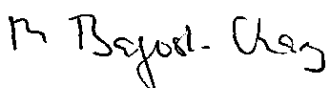
30TH JUNE 1999

	Note	1999	1998
		£	£
FIXED ASSETS	2		
Tangible assets		31,327	44,115
CURRENT ASSETS			
Stocks		172,531	213,379
Debtors		91,322	96,043
Cash at bank and in hand		4,896	46,727
		<u>268,749</u>	<u>356,149</u>
CREDITORS: Amounts falling due within one year		<u>(256,329)</u>	<u>(288,524)</u>
NET CURRENT ASSETS		<u>12,420</u>	<u>67,625</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>43,747</u>	<u>111,740</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	100,002	100,000
Share premium account		72,296	72,296
Profit and loss account		(128,551)	(60,556)
SHAREHOLDERS' FUNDS		<u>43,747</u>	<u>111,740</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

These financial statements were approved by the directors on the 6th October 1999 and are signed on their behalf by:

MR J.C. BAGUST


MRS M BAGUST-CHANG


The notes on pages 3 to 4 form part of these financial statements.

LOTHIAN HERBS (EDINBURGH) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 1999

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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:

Leasehold Property	-	10% straight line
Plant & Equipment	-	20% straight line
Fixtures & Fittings	-	20% straight line
Motor Vehicles	-	25% straight line
Computer Equipment	-	25% straight line

Stocks

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

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1st July 1998	52,957
Additions	1,616
At 30th June 1999	<u>54,573</u>
DEPRECIATION	
At 1st July 1998	8,842
Charge for year	14,404
At 30th June 1999	<u>23,246</u>
NET BOOK VALUE	
At 30th June 1999	<u>31,327</u>
At 30th June 1998	<u>44,115</u>

LOTHIAN HERBS (EDINBURGH) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 1999

3. SHARE CAPITAL

Authorised share capital:

	1999 £	1998 £
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

Allotted, called up and fully paid:

	1999 £	1998 £
Ordinary share capital brought forward	100,002	-
Issue of ordinary shares	-	100,000
	<u>100,002</u>	<u>100,000</u>