

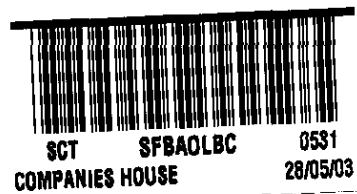
Letham Woods Limited

Company Number – SC 183167

Report & Accounts

For the Year Ended

31st July, 2002



Letham Woods Limited
Directors' Report

The Directors present their Report and Accounts for the year ended 31st July, 2002.

Activities

The Company carries out the business of wood and timber cultivation.

Fixed Assets

Movement of Fixed Assets per Note 3 to the Accounts.

Profits and Appropriations

The results are shown on pages 4 to 5 of the Report. No final Dividend will be recommended by the Board.

The Directors and their Interest in Ordinary Shares

	<u>Ordinary Shares</u>	
	31/7/2002	31/7/2001
John Letham	£500,000	£500,000
Robert Letham	£250,000	£250,000

Letham Woods Limited
Directors Report (continued)

Statement of Directors' Responsibilities

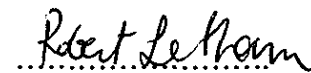
Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the Company and of the profit or loss of the Company for that year.

In preparing those financial statements, the Directors are required to:-

- suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 enable them to ensure that the financial statements 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.

By Order of the Board


.....
Robert.Letham
(Director)

Letham Woods Limited
Profit & Loss Account
For the year ended
31st July, 2002

	Note	£	£	2001 £
Turnover	1		1100	3137
<u>Less:- Cost of Sales</u>			6610	8816
			(5510)	(5679)
				
Less:- Administration		5470		8541
Distribution		-		606
			5470	9147
			(10980)	(14826)
<u>Add:- Interest Received</u>			77	370
Loss on ordinary activities before taxation			(10903)	(14456)
Tax on ordinary activities	2		-	-
Transferred to Reserves			<u>£(10903)</u>	<u>£(14456)</u>

There are no recognized gains and losses in the year other than the loss for the year.

Letham Woods Limited
Balance Sheet
As at
31st July, 2002

<u>Fixed Assets</u>	<u>Notes</u>	£	£	£	<u>2001</u> £
Tangible Assets	3			683950	688105
					
<u>Current Assets</u>					
Debtors	4	27975			39769
Bank Account		4939			3027
			32914		42796
<u>Creditors – Amounts falling due</u>					
<u>Within one year</u>	5		2439		5573
Net Current Assets				30475	37223
Total Assets – less Current Liabilities				£714425	£725328

Financed By:-

Capital and Reserves

<u>Share Capital</u>	6	<u>Authorised</u>	<u>Issued</u>	<u>2000</u>
			£	£
Ordinary Shares of £1		750000	750000	750000
<u>Reserves</u>	7			
Accumulated Losses			(35575)	(24672)
			£714425	£725328

The Directors:

1. confirm that for the year ended 31st July, 2001, the Company was entitled to the exemption under sub-section (1) of Section 249A;
2. confirm that no notice requiring an audit had been deposited under sub-section (2) of section 249B in relation to the Accounts for the financial year; and
3. acknowledge their responsibility for:
 - (i) ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985; and
 - (ii) preparing accounts 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 226 and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the Company.

Approved by the Board 27/5/03.....

.....Director

(John Letham)

.....Director

Robert Letham

Letham Woods Limited
Notes to the Accounts

1. Accounting Policies

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Turnover represents external sales to third parties

(c) Depreciation is provided at 5% Straight Line over 20 years on roads.
No depreciation on Woodlands

2. Taxation

No Corporation Tax as gains from the commercial occupation of Woodlands are not chargeable under Schedule A(68) [ICTA 1988 s 1S(1)].

3. Fixed Assets

	<u>Growing Timber</u>	<u>Woodlands</u>	<u>Road</u>	<u>Total</u>
	£	£	£	£
Cost at 31/7/2001	3296	591578	98138	693012
Adjustment	(3296)	-	4261	965
	£-	£591578	102399	£693977
	=	=	=	=
<u>Aggregate Depreciation</u>	£	£	£	£
Balance at 31/7/2001	-	-	4907	4907
Charge for Year	-	-	5120	5120
	£-	£-	£10027	£10027
	=	=	=	=
N.B.V.31/7/2002	£-	£591578	£92372	£683950
	=	=	=	=
N.B.V.31/7/2001	£3296	£591578	£93231	£688105
	=	=	=	=

Letham Woods
Notes to Accounts (continued)

		<u>2001</u>
4. <u>Debtors</u>	£	£
Trade Debtors	27512	30562
Sundry Debtor	-	4261
Pre-payments	463	450
V.A.T.	-	4496
	<u>£27975</u>	<u>£39769</u>
5. <u>Creditors & Accruals</u>		
Trade Creditors	-	3873
Accruals	1700	1700
V.A.T.	739	-
	<u>£2439</u>	<u>£5573</u>
6. <u>Share Capital</u>		
Authorised 750000 Ordinary Shares of £1 each	<u>£750000</u>	<u>£750000</u>
Called up, Allotted and Fully Paid 750000 Ordinary Shares of £1 each	<u>£750000</u>	<u>£750000</u>
7. <u>Reconciliation of Movements in Shareholders Funds</u>		
Shareholders' Funds at 31 st July, 2001	725328	739784
Losses for year	(10903)	(14456)
	<u>£714425</u>	<u>£725328</u>

Letham Woods Limited

<u>Sales</u>		<u>2001</u>
	£	£
Timber Sales	-	937
Rental Income	1100	2200
	—	—
	£1100	£3137
	==	==

<u>Cost of Sales</u>		
Wood Management	609	44
Road/Bridge Maintenance	881	3865
Depreciation	5120	4907
	—	—
	£6610	£8816
	==	==

<u>Administration</u>		
Legal Fees	-	262
Consultancy	1835	1870
Insurance	2767	5007
Bank Charges	3	2
Tax & Accountancy	850	1400
General	15	-
	—	—
	£5470	£8541
	==	==

<u>Distribution</u>		
Motoring Expenses	£-	£606
	=	==