RANNOCHWAY LIMITED

ACCOUNTS

For the year ended 31st March 2000

A W GRAY & BUTLER
Chartered Accountants
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RANNOCHWAY LIMITED
COMPANY REGISTRATION NUMBER: SC183545

DIRECTOR	WILLIAM GEORGE COOK
SECRETARY	ARLENE MACKENZIE
REGISTERED OFFICE	10 KNOCKBRECK STREET, TAIN, ROSS-SHIRE IV19 1BJ

DIRECTOR'S REPORT for the year ended 31st March 2000

The Director's Report and Accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act relating to small Companies.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of engineering services.

RESULTS AND DIVIDENDS

The Trading Profit for the year after taxation amounted to £2742. Interim Dividends of £3500 have been paid in the year. No Final Dividend is recommended by the Director.

REVIEW OF THE BUSINESS

The Company was successful in obtaining contracts in the current year.

DIRECTOR'S INTEREST

The Director's interest in the share capital of the Company during the year under review was:

WILLIAM GEORGE COOK 2 Ordinary Shares

BY ORDER OF THE BOARD

A MACKENZIE
Secretary

17th August 2000
Tain, Ross-shire

A. Mackenzie

ACCOUNTANT'S REPORT TO THE DIRECTOR OF

RANNOCHWAY LIMITED

As described on pages 3 to 5 you are responsible for the preparation of the accounts and you consider that the Company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared accounts on pages 4 to 7 from the accounting records and from the information and explanations supplied to us. We have not carried out an audit.

A W Gray & Butler
Chartered Accountants &
Registered Auditors
10 Knockbreck Street
Tain, Ross-shire
IV19 1BJ

17th August 2000

RANNOCHWAY LIMITED

Statement of Director's Responsibilities

Company law requires the Director to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period . In preparing those financial statements, the Director is required to

- select 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 being disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

RANNOCHWAY LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2000

1998/99				
£ 31667	TURNOVER	[Note 2]	£	20524
18245	Administration Expenses	[Note 4]		17134
£ 13422	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		£	3390
2818	Taxation	[Note 5]		648
£ 10604	PROFIT FOR THE FINANCIAL YEAR	[Note 8]	£	2742
6000	DIVIDENDS			3500
£ 4604			£	-758
-	RETAINED PROFIT BROUGHT FORWARD			4604
£ **4604**	RETAINED PROFIT CARRIED FORWARD		£	**3846**

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than those included in the above profit and loss account.

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial periods.

RANNOCHWAY LIMITED
BALANCE SHEET at 31st March 2000

31st March 1999						
			FIXED ASSETS			
£	-		Tangible Assets	[Note 7]	£	757
			CURRENT ASSETS			
	£	7283	SC60 Tax Paid		£ 4695	
		309	Debtors		403	
		1500	Advance Corporation Tax		-	
		2926	Cash at Bank and on Hand		553	
	£	12018			£ 5651	
			CREDITORS - Amounts falling due within one year			
	£	2216	Director's Loan		£ 412	
		2378	Trade Creditors		1500	
		2818	Corporation Tax		648	
	£	7412			£ 2560	
4606			NET CURRENT ASSETS			3091
£ **4606**			TOTAL ASSETS LESS CURRENT LIABILITIES			£ **3848**
			CAPITAL AND RESERVES	[Note 8]		
£ 2			Called up Share Capital	[Note 6]	£	2
4604			Profit and Loss Account			3846
£ **4606**					£	**3848**

The Director:

1) Confirms for the year ended 31st March 2000 the Company was entitled to the exemption under subsection (1) of section 249A;

2) Confirms that no notice requiring an audit had been deposited under subsection (2) of s249B in relation to the accounts for the financial year ; and

3) Acknowledges his responsibility for:
   a) ensuring that the Company keeps accounting records which comply with section 221; and
   b) 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 Companies Act 1985 relating to accounts, so far as applicable to the Company.

WILLIAM GEORGE COOK
Director

17th August 2000

RANNOCHWAY LIMITED

NOTES TO THE ACCOUNTS at 31st March 2000

1. **ACCOUNTING POLICIES**

The following accounting policies have been applied consistently when dealing with items which are deemed material to the Company's Financial Statements.

BASIS OF ACCOUNTING

The accounts have been prepared under the accounting rules set out in the 4th Schedule to the Companies Act 1985 and under the historical cost convention.

CASHFLOW STATEMENTS

The Company has taken advantage of the exemption available to small Companies.

DEPRECIATION

Depreciation is charged at rates estimated to write assets off over their estimated useful lives.

Office Equipment – 25% of Reducing Balance

2. **TURNOVER**

Turnover represents the invoiced amount of services provided.

The turnover and pretax profit is attributable to one activity, the provision of engineering services.

3. **STAFF COSTS**

	1999/00	1998/99
Wages and Salaries	£ 9300	£ 9300
Social Security Costs	622	843
	£ **9922**	£**10143**

The average weekly number of employees was two.

4. **OPERATING PROFIT** - Stated after charging

	1999/00	1998/99
Director's Emoluments	£ 6000	£6000
Accountants' Remuneration	587	941
Depreciation	253	-

RANNOCHWAY LIMITED

NOTES TO ACCOUNTS at 31st March 2000 [cont'd]

5. **TAXATION**

Corporation Tax has been charged at the small company rate.

6. **SHARE CAPITAL**

	Authorised	Issued and Fully Paid
Ordinary Shares of £1 each	100	2

7. **FIXED ASSETS**

	Office Equipment
Cost	
Purchased	£ **1010**
Depreciation	
Charge for Year	£ **253**
NET BOOK VALUE	
At 31st March 2000	£ **757**

8. **MOVEMENT ON SHAREHOLDERS' FUNDS**

	1999/00	1998/99
Profit for Year	£ 2742	£10604
Dividends	3500	6000
	£ -758	£ 4604
Opening Shareholder's Funds	4606	-
Issue of Shares for Cash	-	2
Closing Shareholders' Funds	£ 3848	£ 4606

9. **CAPITAL COMMITMENTS**

There were no capital commitments either authorised or contracted for at the Balance Sheet date.

10. **CONTINGENT LIABILITIES**

There were no contingent liabilities at the Balance Sheet date.