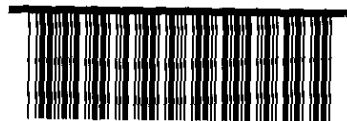


**SHETLAND REFRESHMENTS LTD T/A
VALHALLA BREWERY**

**ABBREVIATED FINANCIAL
STATEMENTS**

28 FEBRUARY 2001



SCT SP287424 0744
COMPANIES HOUSE 14/09/01

HLB KIDSONS
Chartered Accountants & Registered Auditors
122 Commercial Street
Lerwick
Shetland
ZE1 0HX

SHETLAND REFRESHMENTS LTD T/A VALHALLA BREWERY

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 28 FEBRUARY 2001

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SHETLAND REFRESHMENTS LTD T/A VALHALLA BREWERY

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 28 February 2001 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 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.



122 Commercial Street
Lerwick
Shetland
ZE1 0HX

HLB KIDSONS
Chartered Accountants
& Registered Auditors

11 September 2001

SHETLAND REFRESHMENTS LTD T/A VALHALLA BREWERY

ABBREVIATED BALANCE SHEET

28 FEBRUARY 2001

	Note	2001 £	2000 £
Fixed assets	2		
Intangible assets		35,472	39,772
Tangible assets		<u>102,579</u>	<u>108,238</u>
		138,051	148,010
Current assets			
Stocks		16,313	16,370
Debtors		8,386	10,739
Cash at bank and in hand		<u>7,284</u>	<u>6,668</u>
		31,983	33,777
Creditors: amounts falling due within one year		<u>(22,933)</u>	<u>(16,664)</u>
Net current assets		9,050	17,113
Total assets less current liabilities		<u>147,101</u>	<u>165,123</u>
Creditors: amounts falling due after more than one year		(5,612)	(8,824)
Government and other grants	3	<u>(53,300)</u>	<u>(59,494)</u>
		<u>88,189</u>	<u>96,805</u>
Capital and reserves			
Called-up share capital	4	116,580	116,580
Profit and loss account		<u>(28,391)</u>	<u>(19,775)</u>
Shareholders' funds		<u>88,189</u>	<u>96,805</u>

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

These financial statements were approved by the directors on the 11 September 2001 and are signed on their behalf by:

Mr J H Priest



SHETLAND REFRESHMENTS LTD T/A VALHALLA BREWERY

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 28 FEBRUARY 2001

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 2000).

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

Amortisation

Amortisation 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:

Goodwill - 10 years

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:

Plant & Machinery - 10 years

The useful economic life of buildings is 25 years. However, the residual value of buildings is currently estimated to be equal to their cost, resulting in no depreciation charge.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonable constant charge on the outstanding liability.

SHETLAND REFRESHMENTS LTD T/A VALHALLA BREWERY

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 28 FEBRUARY 2001

1. Accounting policies (*continued*)

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset by equal annual instalments. Grants of a revenue nature are credited to income in the period to which they relate.

2. Fixed assets

	Intangible Assets £	Tangible Fixed Assets £	Total £
Cost			
At 1 March 2000	43,000	113,446	156,446
Additions	-	1,200	1,200
At 28 February 2001	<u>43,000</u>	<u>114,646</u>	<u>157,646</u>
Depreciation			
At 1 March 2000	3,228	5,208	8,436
Charge for year	4,300	6,859	11,159
At 28 February 2001	<u>7,528</u>	<u>12,067</u>	<u>19,595</u>
Net book value			
At 28 February 2001	<u>35,472</u>	<u>102,579</u>	<u>138,051</u>
At 29 February 2000	<u>39,772</u>	<u>108,238</u>	<u>148,010</u>

SHETLAND REFRESHMENTS LTD T/A VALHALLA BREWERY

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 28 FEBRUARY 2001

3. Government and other grants

	2001	2000
	£	£
Received and receivable	64,144	64,144
Amortisation	(10,844)	(4,650)
	<u>53,300</u>	<u>59,494</u>

4. Share capital

Authorised share capital:

	2001	2000
	£	£
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
60,000 Preference shares of £1 each	60,000	60,000
	<u>1,060,000</u>	<u>1,060,000</u>

Allotted, called up and fully paid:

	2001		2000	
	No.	£	No.	£
Ordinary shares	56,580	56,580	56,580	56,580
Preference shares	60,000	60,000	60,000	60,000
	<u>116,580</u>	<u>116,580</u>	<u>116,580</u>	<u>116,580</u>

Preference Shares

The preference shares carry a cumulative rights to dividends. The preference shareholders have no rights in the event of winding up beyond arrears of dividend and a repayment of capital. They have no right to vote except on the winding up of the company, or on a proposed modification of the rights attaching to their preference shares.

The company may, subject to the provisions of the Companies Act 1985, at any time redeem the whole or part of the preference shares upon giving to the shareholders whose shares are to be redeemed not less than three months notice in writing. The company shall redeem the whole of the preference shares then outstanding on 31 May 2019.

All shares were allotted during the period to 29 February 2000.