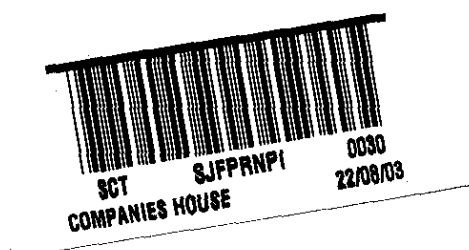


Registration number 212413

THE KYLESKU CROFTERS TRUST LIMITED

Directors' report and financial statements

for the year ended 31 October 2002



THE KYLESKU CROFTERS TRUST LIMITED

Company information

Directors	I Clark W A Brauer J D Clark R R Hollingdale D I MacAulay R W Macleod
Secretary	R R Hollingdale
Company number	212413
Registered office	373 Unapool Kylesku Lairg Sutherland IV27 4HW
Accountants	Frame Kennedy & Forrest Albyn House Union Street Inverness IV1 1LA

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

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THE KYLESKU CROFTERS TRUST LIMITED

**Directors' report
for the year ended 31 October 2002**

The directors present their report and the financial statements for the year ended 31 October 2002.

Principal activity

The principal activity of the company was purchasing the ground constituting the Kylesku Estate in order to safeguard its use, for the benefit of the whole community of that estate.

Membership and Directors.

The company is limited by guarantee and does not have a share capital.

The members and directors of the company are as stated below:

I Clark
W A Brauer
J D Clark
R R Hollingdale
D I MacAulay
R W Macleod

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 affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 11 April 2003 and signed on its behalf by



R R Hollingdale
Secretary

Fraime Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

**Accountants' report on the unaudited financial statements to the directors of
THE KYLESKU CROFTERS TRUST LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 October 2002 set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

**Frame Kennedy & Forrest
Albyn House
Union Street
Inverness
IV1 1LA**

Date: 11 April 2003

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

**Income and expenditure account
for the year ended 31 October 2002**

		2002	2001
	Notes	£	£
Income	2	969	465
Administrative expenses		(982)	(1,466)
Other operating income		243	1,000
Surplus/(deficit) on ordinary activities before taxation		<u>230</u>	<u>(1)</u>
Tax on surplus/(deficit) on ordinary activities	4	(4)	-
Retained surplus/(deficit) for the year		<u>226</u>	<u>(1)</u>
Accumulated (deficit)/surplus brought forward		(1)	-
Retained surplus/(deficit) carried forward		<u><u>225</u></u>	<u><u>(1)</u></u>

The notes on pages 6 to 8 form an integral part of these financial statements.

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

**Balance sheet
as at 31 October 2002**

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Tangible assets	5		25,515		24,900
Current assets					
Cash at bank and in hand		1,411		957	
		<u>1,411</u>		<u>957</u>	
Creditors: amounts falling due within one year	6	<u>(7,464)</u>		<u>(7,108)</u>	
Net current liabilities			<u>(6,053)</u>		<u>(6,151)</u>
Total assets less current liabilities			19,462		18,749
Accruals and deferred income	7		(19,237)		(18,750)
Net assets/(liabilities)			<u>225</u>		<u>(1)</u>
Capital and reserves					
Income and expenditure account			225		(1)
Members' funds			<u>225</u>		<u>(1)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 October 2002**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 October 2002 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 surplus or deficit for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 11 April 2003 and signed on its behalf by



I Clark
Director

The notes on pages 6 to 8 form an integral part of these financial statements.

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

Notes to the financial statements for the year ended 31 October 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land	-	Nil
Other tangible assets	-	33 1/3% Reducing balance

1.4. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation.

1.5. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2. Income

The total income of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating surplus/(deficit)	2002 £	2001 £
Operating surplus/(deficit) is stated after charging:		
Depreciation and other amounts written off tangible assets	308	-
and after crediting:		
Government grants	243	1,000

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

**Notes to the financial statements
for the year ended 31 October 2002**

..... continued

4. Tax on surplus/(deficit) on ordinary activities

Analysis of charge in period	2002	2001
	£	£
UK corporation tax	4	-
Total current tax charge	<u>4</u>	<u>-</u>
Tax on surplus on ordinary activities	<u>4</u>	<u>-</u>

5. Tangible fixed assets

	Land and buildings	Other tangible assets	Total
	£	£	£
Cost			
At 1 November 2001	24,900	-	24,900
Additions	-	923	923
At 31 October 2002	<u>24,900</u>	<u>923</u>	<u>25,823</u>
Depreciation			
Charge for the year	-	308	308
At 31 October 2002	<u>-</u>	<u>308</u>	<u>308</u>
Net book values			
At 31 October 2002	<u>24,900</u>	<u>615</u>	<u>25,515</u>
At 31 October 2001	<u>24,900</u>	<u>-</u>	<u>24,900</u>

**6. Creditors: amounts falling due
within one year**

	2002	2001
	£	£
Corporation tax	4	-
Directors' accounts	6,755	6,755
Other creditors	705	353
	<u>7,464</u>	<u>7,108</u>

Frame Kennedy & Forrest

THE KYLESKU CROFTERS TRUST LIMITED

Notes to the financial statements
for the year ended 31 October 2002

..... continued

7. Accruals and deferred income	2002 £	2001 £
Government grants		
At 1 November 2001	18,750	18,750
Increase in year	730	-
	<u>19,480</u>	<u>18,750</u>
Released in year	(243)	-
At 31 October 2002	<u>19,237</u>	<u>18,750</u>

Frame Kennedy & Forrest