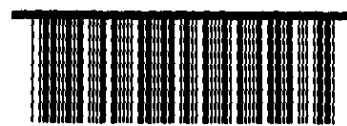


Registration number 218713

Netherraw Forestry Limited
Directors' report and financial statements
for the year ended 30 April 2003



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COMPANIES HOUSE 23/08/03

Netherraw Forestry Limited

Company information

Directors	Lars Geil Steen Damkilde
Secretaries	Lars Geil Steen Damkilde
Company number	218713
Registered office	Bewlie Mains Farm Lilliesleaf Melrose TD6 9ER
Accountants	Michael Revels & Co Ladhope Vale House Ladhope Vale Galashiels TD1 1BT
Bankers	Royal Bank of Scotland plc 35 Bank Street Galashiels TD1 1EP

Netherraw Forestry Limited

Directors' report for the year ended 30 April 2003

The directors present their report and the financial statements for the year ended 30 April 2003.

Principal activity

The principal activity of the company was the management of Christmas tree plantations.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	30/04/03	01/05/02
Lars Geil	Nil	Nil
Steen Damkilde	Nil	Nil

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 19 August 2003 and signed on its behalf by



Steen Damkilde
Director

Netherraw Forestry Limited

**Accountants' report on the unaudited financial statements to the directors of
Netherraw Forestry Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 April 2003 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.



Michael Revels & Co

**Ladhope Vale House
Ladhope Vale
Galashiels
TD1 1BT**

Date: 19 August 2003

Netherraw Forestry Limited

Profit and loss account for the year ended 30 April 2003

		Continuing operations	
		2003	2002
	Notes	£	£
Turnover	2	371,500	129,027
Cost of sales		(309,037)	(98,351)
Gross profit		62,463	30,676
Administrative expenses		(51,331)	(26,421)
Operating profit	3	11,132	4,255
Other interest receivable and similar income		208	71
Interest payable and similar charges	4	(1,496)	-
Profit on ordinary activities before taxation		9,844	4,326
Retained profit for the year		9,844	4,326
Retained profit brought forward		4,326	-
Retained profit carried forward		14,170	4,326

There are no recognised gains or losses other than the profit or loss for the above two financial years.

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

Netherraw Forestry Limited

Balance sheet as at 30 April 2003

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		42,485		19,666
Current assets					
Stocks		3,500		3,500	
Debtors	6	7,174		10,502	
		<u>10,674</u>		<u>14,002</u>	
Creditors: amounts falling due within one year	7	<u>(38,889)</u>		<u>(29,242)</u>	
Net current liabilities			<u>(28,215)</u>		<u>(15,240)</u>
Net assets			<u>14,270</u>		<u>4,426</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account			<u>14,170</u>		<u>4,326</u>
Equity shareholders' funds	9		<u>14,270</u>		<u>4,426</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.

Netherraw Forestry Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 April 2003**

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 30 April 2003 and

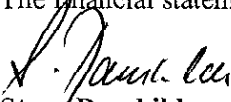
(c) that we acknowledge our responsibilities for:

(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 profit or loss 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 .

The financial statements were approved by the Board on 19 August 2003 and signed on its behalf by


Steen Damkilde
Director

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

Netherraw Forestry Limited

Notes to the financial statements for the year ended 30 April 2003

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention .

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

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:

Plant and machinery - 20% reducing balance

1.4. Stock

Stock is valued at the lower of cost and net realisable value.

1.5. 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 and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

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

3. Operating profit

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	7,055	1,307

4. Interest payable and similar charges

	2003	2002
	£	£
Included in this category is the following:		
On bank loans and overdrafts	1,496	-

Netherraw Forestry Limited

Notes to the financial statements for the year ended 30 April 2003

..... continued

5. Tangible fixed assets	Plant and machinery	Total
	£	£
Cost		
At 1 May 2002	20,973	20,973
Additions	29,874	29,874
At 30 April 2003	<u>50,847</u>	<u>50,847</u>
Depreciation		
At 1 May 2002	1,307	1,307
Charge for the year	7,055	7,055
At 30 April 2003	<u>8,362</u>	<u>8,362</u>
Net book values		
At 30 April 2003	<u>42,485</u>	<u>42,485</u>
At 30 April 2002	<u>19,666</u>	<u>19,666</u>
6. Debtors	2003	2002
	£	£
Trade debtors	1,051	6,815
Other debtors	3,686	3,687
Prepayments and accrued income	2,437	-
	<u>7,174</u>	<u>10,502</u>
7. Creditors: amounts falling due within one year	2003	2002
	£	£
Bank overdraft	10,631	18,219
Trade creditors	3,399	7,198
Director's loan account	23,809	2,825
Accruals and deferred income	1,050	1,000
	<u>38,889</u>	<u>29,242</u>

Netherraw Forestry Limited

Notes to the financial statements for the year ended 30 April 2003

..... continued

8. Share capital	2003	2002
	£	£
Authorised equity		
50,000.00 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
9. Reconciliation of movements in shareholders' funds	2003	2002
	£	£
Profit for the year	9,844	4,326
Opening shareholders' funds	<u>4,426</u>	<u>100</u>
Closing shareholders' funds	<u>14,270</u>	<u>4,426</u>

10. Controlling interest

The company is controlled by the Directors who indirectly own 100% of the issued share capital.