P.C. 290

BRIAN LEWIS AGRICULTURE LIMITED

ABBREVIATED FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1997
(AS MODIFIED UNDER SECTIONS 247 TO 249 OF THE COMPANIES ACT 1985)

MARIAN ROWLANDS & CO.
CERTIFIED ACCOUNTANTS

BRIAN LEWIS AGRICULTURE LIMITED

INDEX TO THE ABBREVIATED FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1997

BRIAN LEWIS AGRICULTURE LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF BRIAN LEWIS AGRICULTURE LIMITED PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of Brian Lewis Agriculture Limited for the year ended 31 December 1997. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on pages 1 - 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 to 247 of the Companies Act 1985 to the exemptions conferred by Part I of Schedule 8 to that Act in respect of the year ended 31 December 1997 and the abbreviated accounts on pages 3 - 6 have been properly prepared in accordance with that Schedule.

On we reported, as auditors of Brian Lewis Agriculture Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the period ended 31 December 1997, and our audit report was as follows:

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 - 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

Directors' responsibilities:

As described on pages 1 to 2 the company's directors are responsible for the preparation of financial statements which present a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit and loss, total recognised gains or losses and cash flows of the company for that period.

Auditors' responsibilities:

It is our responsibility to form an independent opinion of the financial statements presented by the directors based on our audit and to report our opinion to you.

The Companies Act 1985 also requires us to report to you if the following requirements are not met:

a) that the company has maintained proper accounting records (and that proper returns adequate for our audit have been received from any branches not visited by us).

b) that the financial statements are in agreement with the accounting records.

c) that directors' emoluments and other transactions with directors are properly disclosed in the financial statements.

d) that we have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

BRIAN LEWIS AGRICULTURE LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF BRIAN LEWIS AGRICULTURE LIMITED PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

BASIS OF OPINION

Our opinion does not encompass the Directors Report on pages 1 to 2. However, the Companies Act 1985 requires us to report to you if the matters contained in the Directors Report are inconsistent with the financial statements.

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient reliable and relevant evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by error, fraud or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Our audit was completed on 7 October 1998 and our opinion is expressed as at that date.

Marian Rowlands & Co.,
Registered Auditor & Certified Accountant,
7A Nevill Street,
Abergavenny,
Mon., NP7 5AA.

7 October 1998 ..... Date

BRIAN LEWIS AGRICULTURE LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 1997

	Note	1997 £	1997 £	1996 £	1996 £
Tangible fixed assets	2		227150		137938
Current Assets:					
Stocks		86057		117186	
Debtors		24085		35241	
Cash at bank and in hand		98290		29320	
		208432		181747	
Creditors: Amounts falling due within one year		102362		77612	
Net current assets/(liabilities)			106070		104135
			333220		242073
Creditors: Amounts falling due after more than one year			85705		91609
Net assets/(liabilities)			247515		150464
CAPITAL AND RESERVES					
Share capital	3		20000		20000
Reserves			227515		130464
Equity shareholders' fund			247515		150464

The accounts have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors

L Brian Lewis

.....Director

L B Lewis

.....Date

BRIAN LEWIS AGRICULTURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

1. ACCOUNTING POLICIES

FORMAT

The financial statements have been prepared under the historical cost convention and in accordance with S228 of, and Schedule 4 to, the Companies Act 1985.

The effects of events relating to the year ended 31 December 1997 which occurred before the date of approval of the financial statements, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 1997, and of the results for the year ended on that date.

TURNOVER

Turnover represents the amounts receivable for goods and services supplied to customers and the value of work carried out during the year.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates, using the straight line method, to write off each asset over the estimated useful life:

Office equipment	15%
Motor vehicles	25%
Trial unit	15%
Freehold land	Nil
Leasehold property improvement	2%

STOCKS

Stocks have been valued at the lower rate of cost or net realisable value. Net realisable value represents estimated sales price less all further costs to completion.

TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 1997 - Continued

LEASES

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the shorter of its estimated useful life and the lease term. Future instalments under such leases, not of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account as interest, and the capital elements which reduced the outstanding obligation for future instalments.

BRIAN LEWIS AGRICULTURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997 - Continued

2. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant & Equipment £	Motor Vehicles £	Total £
Cost				
Opening Cost	137898	67257	-	205155
Additions	31680	1910	-	33590
Disposals	(169578)	(57996)	-	(227574)
Cost of Disposals	-	11171	-	11171
Depreciation				
Opening depreciation	7861	59356	-	67217
Charge for the year	1153	1834	-	2987
Write off on disposals	(9014)	(57169)	-	(66183)
Closing depreciation	-	4021	-	4021
NET BOOK VALUE:				
This year:	-	7150	-	-
Last year:	130037	7901	-	137938

	1997 £	1996 £
Product Licences	220000	-

3. SHARE CAPITAL

	1997 £	1996 £
Ordinary shares of £1 each		
Authorised	20000	20000
Allotted, issued and fully paid	20000	20000

4. TRANSACTIONS WITH THE DIRECTOR

The director operates a current loan account with the company, which is debited with payments made by the company on behalf of the directors and credited with capital introduced. The following is the total amount outstanding to the director, this amount being included in other debtors/creditors payable within one year.

	1997 £	1996 £
Total outstanding	25648	6720