

LARSEN & ROSS (FARMS) LIMITED
(REGISTERED IN SCOTLAND NUMBER 133450)
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2000



AUDITORS' REPORT TO LARSEN & ROSS (FARMS) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the full accounts of the company for the year ended 31st March 2000 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

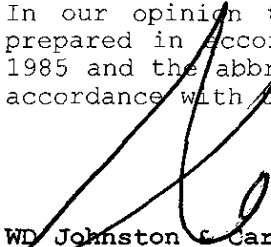
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the full accounts, 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 full accounts.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



WD Johnston & Carmichael
Chartered Accountants,
Registered Auditors,
Nevis House
Beechwood Park
Inverness.
IV2 3BW

11 January 2001

LARSEN & ROSS (FARMS) LIMITED

BALANCE SHEET

AT 31ST MARCH 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible fixed assets	3	1,026,152	1,008,361
CURRENT ASSETS			
Stock		10,694	7,049
Debtors		13,223	6,690
Cash and bank and in hand		3	3
		<hr/> 23,920	<hr/> 13,742
CREDITORS			
Amounts falling due within one year		1,099,181	1,049,649
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(1,075,261)	(1,035,907)
		<hr/>	<hr/>
NET LIABILITIES		(49,109)	(27,546)
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Share capital	3	3	3
Profit and loss account		(49,112)	(27,549)
		<hr/>	<hr/>
		(49,109)	(27,546)
		<hr/>	<hr/>

We have relied on the exemptions for individual accounts on the grounds that the Company is entitled to the benefit of those exemptions as a Small Company.

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

The financial statements on pages 2 to 4 were approved by the Board of Directors on 11 January 2001, and were signed on its behalf by:

 **DIRECTOR**

LARSEN & ROSS (FARMS) LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2000

1. FUNDAMENTAL ACCOUNTING CONCEPT

Notwithstanding the deficiency of net assets these accounts have been prepared on a going concern basis as the holding company has undertaken to defer settlement of sums due to them in order that the interests of third party creditors are protected. Further funding will be made available as necessary by the holding company to meet any third party liabilities as they fall due.

2. ACCOUNTING POLICIES

a) Accounting Convention

The accounts are prepared under the historical cost convention.

b) Depreciation

The cost of fixed assets is written off over their expected useful lives as follows:-

Buildings	- 2% straight line
Equipment	- 10% straight line
Motor vehicles	- 25% reducing balance

No depreciation has been provided on freehold land.

The company has adopted the provisions of Financial Reporting Standard 15 and now depreciates its freehold buildings at 2% per annum. There has been no prior year adjustment made on the adoption of this standard.

c) Stock

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

d) Government grants

Agricultural grants and subsidies are treated as income as received.

e) Deferred taxation

Provision is made for deferred taxation, using the liability method, on short term timing differences and all other material timing differences which are not expected to continue in the future.

LARSEN & ROSS (FARMS) LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2000

3. TANGIBLE FIXED ASSETS

	Farms £	Equipment £	Vehicles £	Total £
COST				
At 31st March 1999	957,617	56,700	-	1,014,317
Additions	1,225	18,363	9,655	29,243
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2000	958,842	75,063	9,655	1,043,560
	<hr/>	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION				
At 31st March 1999	-	5,956	-	5,956
Charge for the year	1,935	7,506	2,011	11,452
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2000	1,935	13,462	2,011	17,408
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31st March 2000	956,907	61,601	7,644	1,026,152
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1999	957,617	50,744	-	1,008,361
	<hr/>	<hr/>	<hr/>	<hr/>

Included in Farms is £862,097 in respect of Land which has not been depreciated.

4. SHARE CAPITAL

	Authorised 2000 & 1999 £	Allotted, Called up and fully paid 2000 & 1999 £
Ordinary shares of £1 each	500,000	3
	<hr/>	<hr/>

5. HOLDING COMPANY

The ultimate holding company is Larsen and Ross Limited, a company registered in Scotland.