

LARSEN & ROSS (FARMS) LIMITED
(REGISTERED IN SCOTLAND NUMBER 133450)
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2006



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 2006 prepared under section 226 of the Companies Act 1985

This report is made solely to the members of the company, in accordance with s247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

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 conducted our work in accordance with Bulletin 2006/3 "The special auditors report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we considered 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.

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.



Johnstone Carmichael
Chartered Accountants,
Registered Auditors,
Nevis House
Beechwood Park
Inverness.
IV2 3BW

28 January 2007.

LARSEN & ROSS (FARMS) LIMITED

BALANCE SHEET

AT 31ST MARCH 2006

	Note	2006		2005	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	3		1,051,443		1,053,137
CURRENT ASSETS					
Stock		13,716		11,439	
Debtors		210,127		184,691	
Cash at bank and in hand		84		50	
		<hr/>		<hr/>	
		223,927		196,180	
CREDITORS					
Amounts falling due within one year		1,497,144		1,453,612	
		<hr/>		<hr/>	
NET CURRENT LIABILITIES			(1,273,217)		(1,257,432)
TOTAL ASSETS LESS CURRENT LIABILITIES			(221,774)		(204,295)
CREDITORS					
Amounts falling due after more than one year					
			<hr/>		<hr/>
NET LIABILITIES			(221,774)		(204,295)
CAPITAL AND RESERVES					
Share capital	4		3		3
Profit and loss account			(221,777)		(204,298)
			<hr/>		<hr/>
			(221,774)		(204,295)
			<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 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements on pages 2 to 4 were approved by the Board of Directors on 24 January 2007, and were signed on its behalf by

DIRECTOR

LARSEN & ROSS (FARMS) LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2006

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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

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

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

d) Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered Deferred tax assets and liabilities are not discounted

LARSEN & ROSS (FARMS) LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2006

3. TANGIBLE FIXED ASSETS

	Farms £	Equipment £	Vehicles £	Total £
COST				
At 31st March 2005	994,537	118,182	41,698	1,154,417
Additions	9,302	9,097		18,399
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2006	1,003,839	127,279	41,698	1,172,816
	<hr/>	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION				
At 31st March 2005	12,883	65,254	23,143	101,280
Charge for the year	2,727	12,728	4,638	20,093
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2006	15,610	77,982	27,781	121,373
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31st March 2006	988,229	49,297	13,917	1,051,443
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2005	981,654	52,928	18,555	1,053,137
	<hr/>	<hr/>	<hr/>	<hr/>

Included in Farms is £867,515 in respect of Land which has not been depreciated

4. SHARE CAPITAL

	Authorised 2006 & 2005 £	Allotted, Called up and fully paid 2006 & 2005 £
Ordinary shares of £1 each	500,000	3
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5. HOLDING COMPANY

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