

LARSEN & ROSS (FARMS) LIMITED
(REGISTERED IN SCOTLAND NUMBER 133450)
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1998



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 1998 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.

Stuart MacDonald for

Stuart MacDonald & Co.,
Chartered Accountants,
Registered Auditors,
34 Cherry Park,
Balloch,
Inverness.

6 APR 1999

LARSEN & ROSS (FARMS) LIMITED

BALANCE SHEET

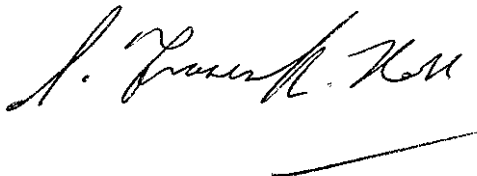
AT 31ST MARCH 1998

	Note	1998 £	1997 £
FIXED ASSETS			
Tangible fixed assets	2	960,946	920,900
CURRENT ASSETS			
Cash and bank and in hand		3	2
Prepayments		7,052	1,093
		<u>7,055</u>	<u>1,095</u>
CREDITORS			
Amounts falling due within one year		966,796	910,730
NET CURRENT LIABILITIES			
		<u>(959,741)</u>	<u>(909,635)</u>
NET ASSETS			
		<u>1,205</u>	<u>11,265</u>
CAPITAL AND RESERVES			
Share capital	3	3	3
Profit and loss account		1,202	11,262
		<u>1,205</u>	<u>11,265</u>

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 22 March 1999, and were signed on its behalf by:

 DIRECTOR

31ST MARCH 1998

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:-

Equipment - 10% straight line

It is the Company's policy to maintain fully its property in a state of good repair and, in the case of its freehold property, the Directors consider that the life of the property and its residual value, based upon its value as at the date of acquisition, are such that its depreciation is not material; accordingly no depreciation is provided on this property. Provision will be made in the profit and loss account for any permanent diminution in value which occurs.

c) 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 1998

2. TANGIBLE FIXED ASSETS

	Farms £	Equipment £	Total £
COST			
At 31st March 1997	920,900	-	920,900
Additions	23,168	17,164	40,322
	<hr/>	<hr/>	<hr/>
At 31st March 1998	944,068	17,164	961,232
	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION			
At 31st March 1997	-	-	-
Charge for the year	-	286	286
	<hr/>	<hr/>	<hr/>
At 31st March 1998	-	286	286
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st March 1998	944,068	16,878	960,946
	<hr/>	<hr/>	<hr/>
At 31st March 1997	920,900	-	920,900
	<hr/>	<hr/>	<hr/>

3. SHARE CAPITAL

	Authorised 1998 & 1997 £	Allotted, Called up and fully paid 1998 & 1997 £
Ordinary shares of £1 each	500,000	3
	<hr/>	<hr/>

4. HOLDING COMPANY

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