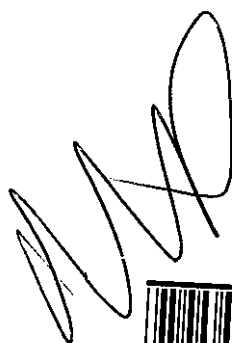
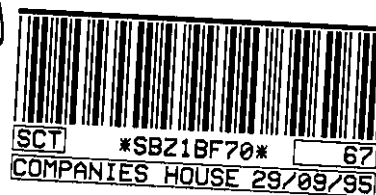


SC 38444,

J. and A. Wilson and Sons (Dairies) Limited

Auditors' Report to the Directors
and
Statement of Modified Accounts
For the Year Ended 31st March 1995

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above the barcode.

REPORT OF THE AUDITORS TO THE DIRECTORS OF
J. and A. Wilson and Sons (Dairies) Limited
For the Year Ended 31st March 1995

STIRLING, 8th September 1995

In our opinion the Directors are entitled under Sections 247 to 249 of the Companies Act 1985 to deliver modified accounts in respect of the year ended 31st March 1995 and the modified accounts on pages 3 to 5 have been properly presented in accordance with Schedule 8 of that Act. On 8th September 1995 we reported as Auditors of J. and A. Wilson and Sons (Dairies) Limited to the members on the Company's Financial Statements prepared under Section 227 of the Companies Act 1985 for the year ended 31st March 1995 and our audit opinion was as follows:-

"We have audited the Financial Statements as presented on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies as set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company for that year. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

Audit Procedures

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.

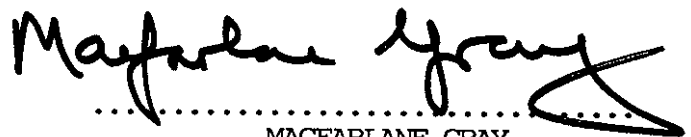
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Matters Arising From Audit

1. Heritable Property has not been depreciated which is in contravention of Statement of Standard Accounting Practice No.1/12. As the market value of the property is likely to exceed the valuation included in the Balance Sheet this does not affect the results for the year.

OPINION

In our opinion the Financial Statements give a true and fair view of the Company's affairs as at 31st March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."



.....
MACFARLANE GRAY
Registered Auditors
and
Chartered Accountants

MODIFIED BALANCE SHEET
As at 31st March 1995

	Note	1995 £	1994 £
<u>FIXED ASSETS</u>			
Tangible Assets	2	31,928	23,780
Investments		3,750	3,750
		<u>35,678</u>	<u>27,530</u>
<u>CURRENT ASSETS</u>			
Stock		28,264	27,672
Debtors		14,426	10,834
Cash at Bank and in Hand		2,486	3,423
		<u>45,176</u>	<u>41,929</u>
<u>CREDITORS: Amounts falling due within one year</u>			
		60,485	33,897
<u>NET CURRENT LIABILITIES</u>			
		(15,309)	8,032
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		<u>20,369</u>	<u>35,562</u>
<u>CREDITORS: Amounts falling due after one year</u>			
		6,133	-
<u>NET ASSETS</u>			
		<u>14,236</u>	<u>35,562</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	3	4,000	4,000
Capital Reserve		1,500	1,500
Profit and Loss Account		8,736	30,062
		<u>14,236</u>	<u>35,562</u>

In preparing these modified accounts, we have relied on Sections 247 to 249 of the Companies Act 1985 as enabling us to deliver accounts modified as for a small company.

Approved by the Board


.....DIRECTOR


.....DIRECTOR

.....8th September 1995....DATE

NOTES TO THE MODIFIED ACCOUNTS
For the Year Ended 31st March 1995

1 ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention. All figures in the Profit and Loss Account are inclusive of V.A.T.

Depreciation

Depreciation is provided on all Tangible Fixed Assets, other than Heritable Property, at rates calculated to write off the cost less any residual value of each asset evenly over its expected useful life, as follows:

Plant and Equipment	-	15% Reducing Balance Method
Furniture and Fittings	-	15% Reducing Balance Method

Stocks

Stocks, as valued by the Directors, are stated at the lower of cost and net realisable value.

Deferred Taxation

No provision has been made for deferred tax.

NOTES TO THE MODIFIED ACCOUNTS
For the Year Ended 31st March 1995

2 TANGIBLE FIXED ASSETS

	Heritable Property £	Plant & Equipment £	Furniture & Fittings £	Total £
Cost or Valuation:				
As At 1st April 1994	18,089	8,195	39,633	65,917
Additions	-	11,251	-	11,251
At 31st March 1995	<u>18,089</u>	<u>19,446</u>	<u>39,633</u>	<u>77,168</u>
Depreciation:				
As At 1st April 1994	-	5,571	36,566	42,137
Charge for year	-	2,335	768	3,103
At 31st March 1995	<u>-</u>	<u>7,906</u>	<u>37,334</u>	<u>45,240</u>
Net Book Value				
At 31st March 1995	<u>18,089</u>	<u>11,540</u>	<u>2,299</u>	<u>31,928</u>
At 1st April 1994	<u>18,089</u>	<u>2,624</u>	<u>3,067</u>	<u>23,780</u>

3 SHARE CAPITAL

	1995 £	1994 £
Allotted, called up and fully paid:		
Ordinary Shares of £1 each	<u>4,000</u>	<u>4,000</u>
Authorised:		
Ordinary Shares of £1 each	<u>4,000</u>	<u>4,000</u>

4 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

(a) The Royal Bank of Scotland plc holds a Standard Security over the property at 6 Huntly Crescent.

(b) The Royal Bank of Scotland plc holds Bond and Floating Charge over all the Heritable and Moveable Assets of the Company.