

81194

LOVAT INVESTMENTS LIMITED

Abbreviated Accounts

31 October 2000

ERNST & YOUNG



SCT SIR45ZCL 0666
COMPANIES HOUSE 29/03/01

Lovat Investments Limited

Registered No. 81199

DIRECTORS

The Hon Kim I M Fraser
Malcolm Fraser

SECRETARY

Iain D Shepherd (appointed 30 May 2000)
Innes & MacKay (resigned 30 May 2000)
Kintail House
Beechwood Business Park
Inverness
IV2 3BW

AUDITORS

Ernst & Young
Moray House
16 Bank Street
Inverness
IV1 1QY

BANKERS

Bank of Scotland
High Street
Beauly
IV4 7BS

SOLICITORS

Innes & MacKay
Kintail House
Beechwood Business Park
Inverness
IV2 3BW

REGISTERED OFFICE

Lovat Estates Office
Beauly
IV4 7DA

SPECIAL REPORT OF THE AUDITORS**to the members of Lovat Investments Limited under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages 3 to 5 together with the annual accounts of Lovat Investments Limited for the year ended 31 October 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

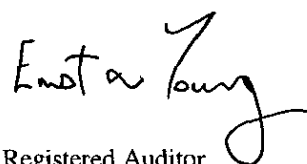
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 audited accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered have been 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 3 to 5 are properly prepared in accordance with those provisions.



Registered Auditor
Inverness

22/3/2001

Lovat Investments Limited

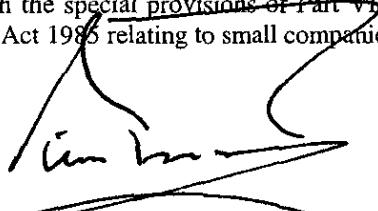
ABBREVIATED BALANCE SHEET

As at 31 October 2000

ERNST & YOUNG

	Notes	2000 £	1999 £
FIXED ASSETS			
Investments	2	1,963,941	1,254,806
CURRENT ASSETS			
Debtors		1,713,000	1,950
Cash at bank and in hand		130,715	2,423,585
		1,843,715	2,425,535
CREDITORS: amounts falling due within one year		6,680	29,526
NET CURRENT ASSETS		1,837,035	2,396,009
TOTAL ASSETS LESS CURRENT LIABILITIES		£3,800,976	£3,650,815
CAPITAL AND RESERVES			
Called up share capital	3	7,169,830	7,169,830
Share premium account		10,773,999	10,773,999
Revaluation reserve		-	66,999
Profit and loss account		(14,142,853)	(14,360,013)

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


19 March 2001

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) Director
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TOTAL EQUITY SHAREHOLDERS' FUNDS	£3,800,976	£3,650,815
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Lovat Investments Limited

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 October 2000

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Investments

The company's investment portfolio is intended to be held for use on a continuing basis to provide income and capital growth. The investments are treated as fixed assets and under the Alternative Accounting Rules, are revalued annually with an adjustment to the company's revaluation reserve. In the case of listed securities the valuation is based on the middle market price at the balance sheet date.

2. INVESTMENTS

	2000 £
Cost or market value:	
At 1 November 1999	1,254,806
Additions	1,447,525
Disposals	(659,052)
Revaluation	(79,338)
At 31 October 2000	<u>£1,963,941</u>

3. SHARE CAPITAL

		<i>Authorised</i>		<i>Allotted, called up and fully paid</i>
	2000 <i>No.</i>	1999 <i>No.</i>	2000	1999
Ordinary shares of 20p each	100,000,000	100,000,000	£7,169,830	£7,169,830

4. TRANSACTIONS INVOLVING DIRECTORS AND RELATED PARTIES

The directors had interests in the following transactions:

Included in expenses is an amount of £70,500 (including VAT) relating to management fees payable to Lovat Highland Estates Limited. This is for general management and accountancy costs for the company.

Malcolm Fraser was a director of Lovat Highland Estates Limited during the year ended 31 October 2000.

Included in debtors is a loan to the company's parent undertaking, Highlands and Islands Investments Limited of £1,713,000. This loan is unsecured and interest free.

The Hon Kim I M Fraser and Malcolm Fraser were directors of Highlands and Islands Investments Limited during the year ended 31 October 2000.

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 October 2000

5. PARENT UNDERTAKING

The parent undertaking of the group of undertakings of which the company is a member is Highlands and Islands Investments Limited, a company registered in Scotland. At 31 October 2000 Highlands and Islands Investments Limited owned 90.4% of the share capital of the company.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Imperial Livestock Corporation, which is registered in Panama.