

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2004
FOR
GEORGE RAE BURN (MINERALS) LTD



BANNERMAN
JOHNSTONE
MACLAY

CHARTERED ACCOUNTANTS

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DIRECTORS: J M Raeburn
D G Raeburn

SECRETARY: J M Raeburn

REGISTERED OFFICE: East Avenue
Priestfield Industrial Estate
Blantyre
G72 0JB

REGISTERED NUMBER: SC098000

AUDITORS: Bannerman Johnstone Maclay
Chartered Accountants
and Registered Auditor
Tara House
46 Bath Street
Glasgow
G2 1HG

BANKERS: Bank of Scotland
PO Box 18
41 Princes Mall
East Kilbride
G74 1LA

SOLICITORS: DLA
249 West George Street
Glasgow
G2 4RB

**REPORT OF THE INDEPENDENT AUDITORS TO
GEORGE RAE BURN (MINERALS) LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

BANNERMAN JOHNSTONE MACLAY

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the year ended 31 March 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B 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

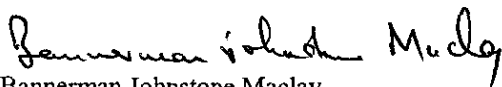
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (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 consider 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. 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 financial statements.

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 three to five are properly prepared in accordance with those provisions.



Bannerman Johnstone Maclay
Chartered Accountants
and Registered Auditor
Tara House
46 Bath Street
Glasgow
G2 1HG

13 May 2005

ABBREVIATED BALANCE SHEET
31 MARCH 2004

		2004	2003
	Notes	£	£
FIXED ASSETS:			
Tangible assets	2	1,326,119	1,526,540
CURRENT ASSETS:			
Stocks		785,654	629,047
Debtors		646,338	728,181
Investments		8,000	8,000
Cash at bank		457,730	474,704
		<u>1,897,722</u>	<u>1,839,932</u>
CREDITORS: Amounts falling due within one year		<u>886,753</u>	<u>993,560</u>
NET CURRENT ASSETS:		<u>1,010,969</u>	<u>846,372</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>2,337,088</u>	<u>2,372,912</u>
CREDITORS: Amounts falling due after more than one year		(1,528)	(90,322)
PROVISIONS FOR LIABILITIES AND CHARGES:		<u>(47,000)</u>	<u>(35,000)</u>
		<u><u>£2,288,560</u></u>	<u><u>£2,247,590</u></u>
CAPITAL AND RESERVES:			
Called up share capital	3	100,000	100,000
Profit and loss account		<u>2,188,560</u>	<u>2,147,590</u>
SHAREHOLDERS' FUNDS:		<u><u>£2,288,560</u></u>	<u><u>£2,247,590</u></u>

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

ON BEHALF OF THE BOARD:


D G Raeburn - Director



J M Raeburn - Director

Approved by the Board on 13 May 2005

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2004**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Plant and machinery etc	15% on cost and 20% on cost
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Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 April 2003	2,700,940
Additions	154,198
Disposals	(76,060)
At 31 March 2004	2,779,078
DEPRECIATION:	
At 1 April 2003	1,174,400
Charge for year	317,611
Eliminated on disposals	(39,052)
At 31 March 2004	1,452,959
NET BOOK VALUE:	
At 31 March 2004	1,326,119
At 31 March 2003	1,526,540

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2004	2003
			£	£
100,000	Ordinary shares	£1	100,000	100,000

4. CONTROL

The company is controlled by the directors, J M Raeburn and D G Raeburn.