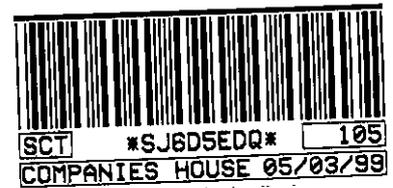


Gorrod Davie Kemp Walker & Company Limited

**Abbreviated accounts
for the year ended 31 May 1998**

Registered no: 8997



Report of the auditors to the directors of Gorrod Davie Kemp Walker & Company Limited pursuant to section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 6 together with the full financial statements of Gorrod Davie Kemp Walker & Company Limited for the year ended 31 May 1998, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of the 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 246(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 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 does not include examining or dealing with the events after the date of our report on the accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 are properly prepared and in accordance with those provisions.



Reeves & Neylan
Chartered Accountants & Registered Auditors
Perth
10 February 1999

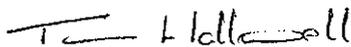
Gorrod Davie Kemp Walker & Company Limited

Balance sheet at 31 May 1998

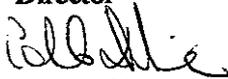
	Note	1998 £	£	1997 £	£
Fixed assets					
Tangible assets	1	300,109		311,213	
Investments	2	10,436		15,436	
			<u>310,545</u>		<u>326,649</u>
Current assets					
Stocks		44,967		29,324	
Debtors		434,455		243,332	
Cash at bank and in hand		-		60,170	
			<u>479,422</u>		<u>332,826</u>
Creditors: amounts falling due within one year		<u>356,137</u>		<u>259,845</u>	
Net current assets			<u>123,285</u>		<u>72,981</u>
Total assets less current liabilities			<u>433,830</u>		<u>399,630</u>
Creditors: amounts falling due after more than one year	3		283,675		292,800
Deferred income			14,362		15,603
Provision for liabilities and charges			14,695		14,180
Net assets			<u>121,098</u>		<u>77,047</u>
Capital and reserves					
Called up share capital	4		10,000		10,000
Profit and loss account			111,098		67,047
Shareholder's funds			<u>121,098</u>		<u>77,047</u>

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

The financial statements were approved by the board of directors on 10 February 1999 and signed on their behalf by:



T Halliwell
Director



C C Dickie
Director

The accounting policies and notes on pages 3 to 6 form part of these financial statements.

Gorrod Davie Kemp Walker & Company Limited

Principal accounting policies

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Tangible fixed assets

The cost of tangible fixed assets is their purchase price, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost, less estimated residual value, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold land and buildings	over 15 to 50 years
Plant and machinery	15-25% on written down value
Motor vehicles	25% on written down value
Computers	over 4 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis and includes transport and handling costs. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Pension scheme arrangements

The company operates a defined contribution pension scheme for the benefit of its directors. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Government grants

Grants relating to expenditure on fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grants relate. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are credited to the profit and loss account in the period to which they relate.

Gorrod Davie Kemp Walker & Company Limited

Principal accounting policies

EU agricultural support schemes

Payments received under EU crop and livestock support schemes are recognised as income when the business has met all the criteria which entitle it to the payments, with the exception of payments under the Arable Area Payments Scheme.

Payments received under this scheme, including the related set aside payments, are regarded as being an addition to crop proceeds and are recognised as income arising at the time of sale of the appropriate crop.

Gorrod Davie Kemp Walker & Company Limited

Notes to the financial statements for the year ended 31 May 1998

1 Tangible fixed assets

	Total £	Freehold land and buildings £	Plant and machinery £	Motor vehicles £	Computer £
Cost					
At 1 June 1997	540,645	205,093	174,381	161,171	-
Additions	50,931	-	3,169	32,350	15,412
Disposals	(47,477)	-	(3,192)	(44,285)	-
At 31 May 1998	544,099	205,093	174,358	149,236	15,412
Depreciation					
At 1 June 1997	229,432	22,766	121,596	85,070	-
Charge for year	38,085	4,102	8,565	21,564	3,854
Disposals	(23,527)	-	(1,436)	(22,091)	-
At 31 May 1998	243,990	26,868	128,725	84,543	3,854
Net book value					
At 31 May 1998	300,109	178,225	45,633	64,693	11,558
At 31 May 1997	311,213	182,327	52,785	76,101	-

2 Investments

	1998 £	1997 £
Other investments other than loans	121	121
Others	10,315	15,315
	10,436	15,436

3 Creditors: amounts falling due after more than one year

	1998 £	1997 £
Term loan	283,675	292,800
The term loan is repayable as follows:		
	1998 £	1997 £
Within one year	9,000	7,200
Between two years and five years	54,375	47,053
After more than five years	229,300	245,747
	292,675	300,000

The term loan is secured by a floating charge over the assets of the company and by a standard security granted by the company over land and property at Gourdieburn, Potterton, Aberdeen.

Gorrod Davie Kemp Walker & Company Limited

Notes to the financial statements for the year ended 31 May 1998

4 Called up share capital

	1998 £	1997 £
Authorised		
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

5 Related party transactions

During the year the company incurred service charges totalling £25,574 and made sales totalling £61,892 to ASPO Limited, in which T Halliwell is a director. At 31 May 1998 the company was owed £19,336 by ASPO Limited.

The company received marketing fees totalling £36,911 from ASPO (Marketing) Limited and made purchases of £7,166 from that company. T Halliwell is a director of ASPO (Marketing) Limited. At 31 May 1998 the company was owed £21,911 by ASPO (Marketing) Limited.

The company also received marketing fees totalling £80,000, and provided other services of £10,049 in the normal course of business, to Saltire Seed Limited. T Halliwell is a director of Saltire Seed Limited. At 31 May 1998 the company was owed £95,826 by Saltire Seed Limited.

During the year T Halliwell purchased a motor vehicle from the company for £7,000.