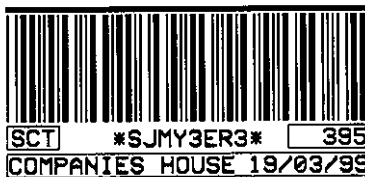


CAITHNESS POTATOES LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1998



Company Registration No. 89102 (Scotland)



Moray House, 39 St. John Street, PERTH PH1 5HQ. Tel: (01738) 632081 Fax: (01738) 630989

e-mail : admin@bellandcompany.co.uk

Internet : www.perth.org.uk/perth/bell.htm

MEMBER OF  *The UK 200 Group*  PRACTISING CHARTERED ACCOUNTANTS

Partners: J.H. DEWAR C.A.; N.W. FRASER B.A.C.A.; R.M. HOWES M.A., F.C.A.; C. CARNEGIE F.C.C.A. Consultant: I.J.A. MOIR C.A.

Registered to carry out audit work and authorised to carry on investment business by the Institute of Chartered Accountants of Scotland

CAITHNESS POTATOES LIMITED

CONTENTS

	Page
Auditors' report	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3 - 4

CAITHNESS POTATOES LIMITED

AUDITORS' REPORT TO CAITHNESS POTATOES 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 financial statements of the company for the year ended 30 June 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

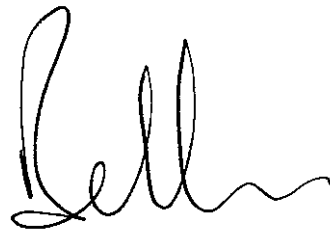
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 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 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 2 to 4 are properly prepared in accordance with those provisions.



Bell & Company

15 March 1999

Chartered Accountants
Registered Auditor

Moray House
39 St John Street
Perth
PH1 5HQ

CAITHNESS POTATOES LIMITED

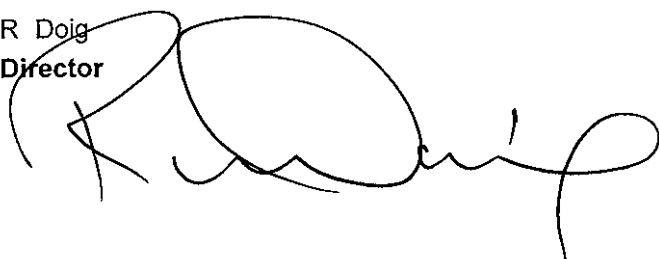
ABBREVIATED BALANCE SHEET AS AT 30 JUNE 1998

	Notes	1998 £	£	1997 £	£
Fixed assets					
Intangible assets	2		6,000		-
Investments	2		30,032		30,032
			<u>36,032</u>		<u>30,032</u>
Current assets					
Stocks		3,768		13,225	
Debtors		167,507		124,857	
Cash at bank and in hand		365,000		241,011	
		<u>536,275</u>		<u>379,093</u>	
Creditors: amounts falling due within one year		<u>(78,891)</u>		<u>(22,645)</u>	
Net current assets			<u>457,384</u>		<u>356,448</u>
Total assets less current liabilities			<u>493,416</u>		<u>386,480</u>
Capital and reserves					
Called up share capital	3		100,000		100,000
Profit and loss account			393,416		286,480
Shareholders' funds			<u>493,416</u>		<u>386,480</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.

The financial statements were approved by the board on 12 March 1999

R. Doig
Director



CAITHNESS POTATOES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1998

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Intangible assets

Intangible assets are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives as follows:

Potato export rights - 20% per annum.

1.4 Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Fixed assets

	Intangible assets	Investments	Total
	£	£	£
Cost			
At 1 July 1997	-	30,032	30,032
Transfer from subsidiary	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
At 30 June 1998	10,000	30,032	40,032
	<hr/>	<hr/>	<hr/>
Depreciation			
Transfer from subsidiary	2,000	-	2,000
Charge for the year	2,000	-	2,000
	<hr/>	<hr/>	<hr/>
At 30 June 1998	4,000	-	4,000
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 June 1998	6,000	30,032	36,032
	<hr/>	<hr/>	<hr/>
At 30 June 1997	-	30,032	30,032
	<hr/>	<hr/>	<hr/>

The company holds 100% of the issued ordinary share capital of its subsidiary; Caithness Potato Exports Limited. This company is registered in Scotland.

CAITHNESS POTATOES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1998

3	Share capital	1998	1997
		£	£
	Authorised		
	250,000 Ordinary shares of £1 each	250,000	250,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	100,000 Ordinary shares of £1 each	100,000	100,000
		<u> </u>	<u> </u>