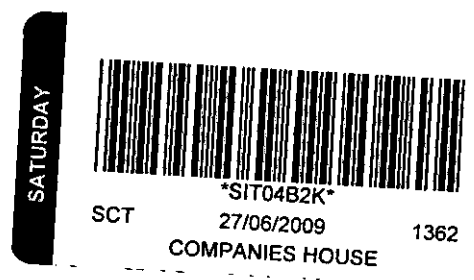


Registration number SC150590

**Scottish Quality Farm Assured Combinable Crops Ltd
Company limited by guarantee**

Directors' report and financial statements

for the year ended 30 September 2008



Scottish Quality Farm Assured Combinable Crops Limited

Company information

Directors	Douglas Morrison	Chairman
	David Cranstoun	
	David McCreath	Resigned 21/1/08
	David Pate	
	Allan Smith	
	John Hutcheson	
	Alistair Dunn	
	Ian Keith	
	David Rae	Resigned 21/1/08
	John Picken	
	Roger Baird	Appointed 21/1/08
	Douglas Reid	Appointed 21/1/08
Secretary	Ian Hain	
Company number	SC150590	
Registered office	Royal Highland Centre 10th Avenue Ingliston Edinburgh EH28 8NF	
Auditors	Alexander Sloan 1 Atholl Place Edinburgh EH3 8HP	
Bankers	Royal Bank of Scotland 2 Blenheim Place Edinburgh EH7 5JH	

Scottish Quality Farm Assured Combinable Crops Limited

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Scottish Quality Farm Assured Combinable Crops Limited
Company limited by guarantee

Directors' report
for the year ended 30 September 2008

The directors present their report and the financial statements for the year ended 30 September 2008.

Principal activity

The principal activity of the company is to obtain a more assured market share for Scottish quality combinable crops through the management of an effective and efficient quality assurance scheme, as well as promoting to both trade and consumer the products of the scheme.

Directors

The directors who served during the year are as stated below:

Douglas Morrison	Chairman	Alistair Dunn	
David Cranstoun		Ian Keith	
David McCreath	Resigned 21/1/08	David Rae	Resigned 21/1/08
David Pate		John Picken	
Allan Smith		Roger Baird	Appointed 21/1/08
John Hutcheson		Douglas Reid	Appointed 21/1/08

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

Scottish Quality Farm Assured Combinable Crops Limited
Company limited by guarantee

Directors' report
for the year ended 30 September 2008

..... continued

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Alexander Sloan be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 19 January 2009 and signed on its behalf by



Ian Hain
Secretary

Scottish Quality Farm Assured Combinable Crops Limited

Independent auditors' report to the members of Scottish Quality Farm Assured Combinable Crops Limited

We have audited the financial statements of Scottish Quality Farm Assured Combinable Crops Limited for the year ended 30 September 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Scottish Quality Farm Assured Combinable Crops Limited

**Independent auditors' report to the members of
Scottish Quality Farm Assured Combinable Crops Limited continued**

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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable for Smaller Entities, of the state of the company's affairs as at 30 September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



**Alexander Sloan
Chartered Accountants and
Registered auditors
19 January 2009**

**1 Atholl Place
Edinburgh
EH3 8HP**

Scottish Quality Farm Assured Combinable Crops Limited

**Profit and loss account
for the year ended 30 September 2008**

		2008	2007
	Notes	£	£
Turnover		530,463	490,493
Administrative expenses		(538,933)	(503,449)
Operating loss	2	(8,470)	(12,956)
Other interest receivable and similar income		13,934	13,600
Profit on ordinary activities before taxation		5,464	644
Tax on profit on ordinary activities	4	(1,120)	(52)
Profit for the year	7	4,344	592
		<u> </u>	<u> </u>

The notes on pages 7 to 8 form an integral part of these financial statements.

Scottish Quality Farm Assured Combinable Crops Limited

Balance sheet as at 30 September 2008

		2008		2007	
	Notes	£	£	£	£
Current assets					
Debtors	5	25,980		27,036	
Cash at bank and in hand		235,908		228,045	
		<u>261,888</u>		<u>255,081</u>	
Creditors: amounts falling due within one year	6	(103,448)		(100,985)	
Net current assets			<u>158,440</u>		<u>154,096</u>
Total assets less current liabilities			158,440		154,096
Net assets			<u>158,440</u>		<u>154,096</u>
Reserves					
Profit and loss account	7		<u>158,440</u>		<u>154,096</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective January 2007) relating to small companies.

The financial statements were approved by the Board on 19 January 2009 and signed on its behalf by

Douglas Morrison
Director



The notes on pages 7 to 8 form an integral part of these financial statements.

Scottish Quality Farm Assured Combinable Crops Limited
Company limited by guarantee

Notes to the financial statements
for the year ended 30 September 2008

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities.

2. Operating loss

	2008	2007
	£	£
Operating loss is stated after charging:		
Auditors' remuneration	2,490	2,500
	<u>2,490</u>	<u>2,500</u>

3. Directors' emoluments

	2008	2007
	£	£
Remuneration and other benefits	3,631	4,171
Honorarium to board chairman	6,246	6,000
Honorarium to TAC chairman	3,024	3,000
	<u>12,901</u>	<u>13,171</u>

4. Tax on profit on ordinary activities

Analysis of charge in period	2008	2007
	£	£
Current tax		
UK corporation tax	1,120	52
	<u>1,120</u>	<u>52</u>

Scottish Quality Farm Assured Combinable Crops Limited
Company limited by guarantee

Notes to the financial statements
for the year ended 30 September 2008

..... continued

5. Debtors	2008 £	2007 £
Other debtors	24,239	24,400
Prepayments and accrued income	1,741	2,636
	<u>25,980</u>	<u>27,036</u>

6. Creditors: amounts falling due within one year	2008 £	2007 £
Corporation tax	1,120	52
Other creditors	98,058	97,737
Accruals and deferred income	4,270	3,196
	<u>103,448</u>	<u>100,985</u>

7. Reserves	Profit and loss account £	Total £
At 1 October 2007	154,096	154,096
Profit for the year	4,344	4,344
At 30 September 2008	<u>158,440</u>	<u>158,440</u>

8. Related party transactions

Five of the directors (2007:five) are also scheme participants of Scottish Quality Farm Assured Combinable Crops Ltd. Their memberships are on normal terms and conditions.