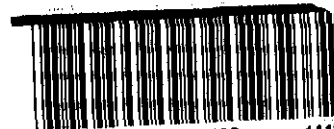


JOHN WATSON SEEDS LIMITED

Registered number: SC192259

Abbreviated Financial Statements

For the year ended 30 June 2005



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COMPANIES HOUSE 11/03/06



SCOTT-MONCRIEFF

CHARTERED ACCOUNTANTS

EDINBURGH AND GLASGOW

JOHN WATSON SEEDS LIMITED

Company Information

Directors

John Watson
Sandra Watson

Secretary

W E Nelson

Registered office

Skateraw
Dunbar
East Lothian
EH42 1QR

Registered number

SC192259

Accountants

Scott-Moncrieff
Chartered Accountants
17 Melville Street
Edinburgh
EH3 7PH

JOHN WATSON SEEDS LIMITED

Abbreviated Financial Statements

For the year ended 30 June 2005

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JOHN WATSON SEEDS LIMITED

**Accountants' report to the directors on the
unaudited financial statements of John Watson Seeds Limited**

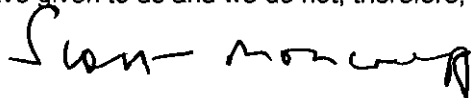
In accordance with the engagement letter dated 1 October 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have prepared the abbreviated accounts of the company on pages 2 to 4 from the accounting records and information and explanations supplied to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken to enable us to prepare the abbreviated accounts on behalf of the company's Board of Directors 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 company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with the best practice guidance issued by the Institute of Chartered Accountants of Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of accounts.

You have acknowledged on the balance sheet for the year ended 30 June 2005, your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.



Scott-Moncrieff
Chartered Accountants
17 Melville Street
Edinburgh

10 June 2006

JOHN WATSON SEEDS LIMITED

Balance Sheet

At 30 June 2005

	Note	2005 £	2004 £
Fixed assets			
Intangible assets	2	33,170	37,170
Tangible assets	2	60,686	75,451
Investments		40	-
		<u>93,896</u>	<u>112,621</u>
Current assets			
Stocks		130,077	130,851
Debtors		354,481	410,047
Cash at bank and in hand		58	53
		<u>484,616</u>	<u>540,951</u>
Creditors: amounts falling due within one year		<u>(505,677)</u>	<u>(582,091)</u>
Net current liabilities		(21,061)	(41,140)
Total assets less current liabilities		<u>72,835</u>	<u>71,481</u>
Creditors: amounts falling due after more than one year		(5,066)	(17,086)
Net assets		<u><u>67,769</u></u>	<u><u>54,395</u></u>
Capital and reserves			
Called up share capital	3	2	2
Profit and loss account		67,767	54,393
Shareholders' funds		<u><u>67,769</u></u>	<u><u>54,395</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2005 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

The abbreviated financial statements were approved by the board on 2 March 2006 and signed on its behalf by:

John Watson
Director

The notes on pages 3 to 4 form part of these financial statements.

Notes to the Abbreviated Financial Statements

For the year ended 30 June 2005

1 Accounting policies

Basis of accounting

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

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

Intangible fixed assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

It is the directors' opinion that the goodwill has a life of ten years.

It is the director's opinion that the life of the patents is indefinite and as such no amortisation is charged.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 25% straight line
Fixtures and fittings	- 15% straight line
Motor vehicles	- 25% straight line

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

Finance leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance lease are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

JOHN WATSON SEEDS LIMITED

Notes to the Abbreviated Financial Statements

For the year ended 30 June 2005

Deferred tax

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

Investments

Fixed asset investments are stated at cost, less any provisions required where there has been a permanent diminution in their value.

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 July 2004	45,170	105,860	151,030
Additions	-	31,512	31,512
Disposals	-	(33,822)	(33,822)
At 30 June 2005	45,170	103,550	148,720
Amortisation and depreciation			
At 1 July 2004	8,000	30,409	38,409
Charge for the year	4,000	22,100	26,100
Disposals	-	(9,645)	(9,645)
At 30 June 2005	12,000	42,864	54,864
Net book value			
At 30 June 2005	£33,170	£60,686	£93,856
At 30 June 2004	£37,170	£75,451	£112,621

3 Share capital

	2005 £	2004 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2