

**Islay Ales Company Limited**  
**Balance Sheet**  
**As at 31 March 2008**

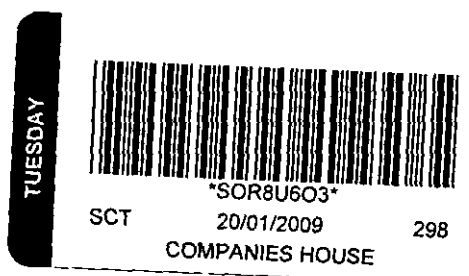
SC 243892

	Notes	£	2008 £	2007 £
<b><u>Fixed Assets</u></b>				
Tangible Assets	5		18,860	18,613
<b><u>Current Assets</u></b>				
Stock		30,160		21,606
Debtors	6	4,183		6,266
Cash in hand		38		311
		34,382		28,183
<b><u>Creditors</u></b>				
Amounts Falling Due within One Year	7	32,515		42,309
			1,867	-14,126
<b>Total Assets Less Current Liabilities</b>			20,727	4,486
<b><u>Creditors</u></b>				
Amounts Falling Due after One Year	8		39,839	16,786
			-19,112	-12,300
<b><u>Reserves</u></b>				
Called Up Share Capital		5		5
Profit and Loss Account		-19,117		-12,305
			-19,112	-12,300

The directors have taken advantage of the exemptions available to small companies conferred by Section 246 of, and contained in Section A Part III of Schedule 8 to, Companies Act 1985, on the grounds that the company qualifies for those exemptions as a small company under Section 247 of the Companies Act 1985.

The directors confirm that for the year ended 31 March 2008 the company is eligible to take advantage of the exemption from an audit under Section 249A(1) of the Companies Act 1985 and that no shareholders holding more than 10% of the issue share capital have requested an audit under Section 249B(2) of the Companies Act 1985.

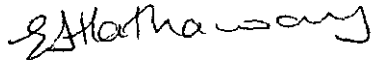
The directors acknowledge their obligations to keep proper accounting records which comply with Section 221 of the Companies Act 1985 and to prepare accounts which give a true and fair view of the company's position in accordance with the requirements of Section 226 of the Companies Act 1985.



**Islay Ales Company Limited**  
**Balance Sheet cont**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002)

**ON BEHALF OF THE BOARD**



Elizabeth Hathaway

Approved by the board on 1.9.08

**Islay Ales Company Limited**  
**Notes to Financial Statements**  
**For year ended 31 March 2008**

**1. ACCOUNTING POLICIES**

a) **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard for Smaller Entities (effective June 2002)

b) **Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life.

Plant & Equipment	15% reducing balance
Computer	25% reducing balance
Tenant Improvements	15% reducing balance
Office Equipment & Furniture	15% reducing balance
Fixture & Fittings	15% reducing balance
Motor Van	20% reducing balance

c) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

d) **Deferred Tax**

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

e) **Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

**2. TURNOVER**

Turnover which is stated net of value added tax and discounts allowed, represents amounts charged to third parties including in respect of amounts not invoiced.

**Islay Ales Company Limited**  
**Notes to Financial Statements - Cont**  
**For year ended 31 March 2008**

**3. OPERATING PROFIT**

This is stated after charging:

	2008	2007
	£	£
Depreciation - owned assets	2,994	2,487
Depreciation - Leased assets	810	1,584
	<u>3,804</u>	<u>4,072</u>

**4. DIVIDENDS**

No dividend was paid

**5. TANGIBLE FIXED ASSETS**

	Additions	31/3/08	31/3/07
	£	£	£
<b>Cost:</b>			
Plant & Equipment	0	21,153	21,153
Computer	0	2,587	2,587
Tenant Improvements	0	3,836	3,837
Motor Van	4,052	8,700	4,648
Fixtures & Fittings	0	977	977
Office Equipment & Furniture	0	1,343	1,343
	<u>4,052</u>	<u>38,596</u>	<u>34,545</u>
<b>Depreciation:</b>			
Plant & Equipment	1,807	10,910	9,103
Computer	208	1,965	1,757
Tenant Improvements	297	2,153	1,856
Motor Van	1,286	3,555	2,269
Fixtures & Fittings	90	466	376
Office Equipment & Furniture	116	686	570
	<u>3,804</u>	<u>19,735</u>	<u>15,931</u>
<b>Net book value</b>		<u>18,860</u>	<u>18,614</u>

The net book value of motor van above includes an amount £3,242 in respect of assets held under finance lease and hire purchase agreements.

Fixed Asset cost is stated net of any capital grant received for the asset.

**6. DEBTORS**

	2008	2007
	£	£
Debtors	4,183	4,487
VAT control	0	1,780
	<u>4,183</u>	<u>6,267</u>

**Islay Ales Company Limited**  
**Notes to Financial Statements - Cont**  
**For year ended 31 March 2008**

**7. CREDITORS : AMOUNTS FALLING DUE UNDER 1 YEAR**

	2008	2007
	£	£
Current Account	20,083	35,974
Finance Lease	1,332	103
Credit Cards	2,197	984
VAT Control	228	0
Term Loan	2,614	0
Trade Creditors and Accruals	6,061	5,248
	<u>32,515</u>	<u>42,309</u>

**8. CREDITORS : AMOUNTS FALLING DUE AFTER 1 YEAR**

	2008	2007
	£	£
Loans	39,839	16,786
	<u>39,839</u>	<u>16,786</u>

**9. OBLIGATIONS UNDER FINANCE LEASE**

	2008	2007
	£	£
Motor Van (511002)	3,884	0
	<u>3,884</u>	<u>0</u>

**10. LOANS**

Not wholly repayable within 5 years:  
 Director's loans

	2008	2007
	£	£
	39,839	16,786
	<u>39,839</u>	<u>16,786</u>

**Islay Ales Company Limited**  
**Notes to Financial Statements - Cont**  
**For year ended 31 March 2008**

**11. SHARE CAPITAL**

	Authorised 2008	Allotted, called up and fully paid	
	No	2008 £	2007 £
Ordinary shares of £1 each	5	5	5

**12. RECONCILIATION OF SHAREHOLDERS FUNDS AND MOVEMENT ON RESERVES**

	Share capital	Profit and Loss Account	
		2008 £	2007 £
Profit/Loss for year		-6,813	-759
Reserves		-12,304	-11,546
Dividend		0	0
As at 31 March 2008	5	-19,117	-12,305

**13. CAPITAL COMMITMENTS**

The company had no capital commitments at the year end or commitments under finance leases whose inception occurs after the year end.