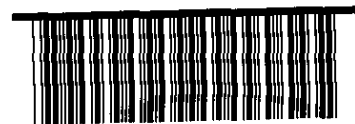


KINCURDIE FISHING COMPANY LIMITED
(Reg. No. SC 126050)

ABBREVIATED ACCOUNTS

For the year ended 31st December 1999

HUTTON & PHILP, C.A.
DUNFERMLINE



SCT S822SRH4 0046
COMPANIES HOUSE 19/06/00

AUDITORS' REPORT TO KINCURDIE FISHING COMPANY 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 31st December 1999 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 section(s) 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.

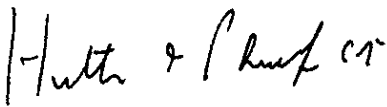
Basis of opinion

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 does 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 section(s) 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.

30 Queen Anne Street
DUNFERMLINE.
28th February 2000


HUTTON & PHILP, C.A.
Chartered Accountants
and Registered Auditor

KINCURDIE FISHING COMPANY LIMITED

BALANCE SHEET

As at 31st December 1999

<u>1998</u>		<u>Notes</u>	<u>1999</u>
	<u>FIXED ASSETS</u>		
£ 55,000	Intangible Assets	2	£ 264,331
413,530	Tangible Assets	3	576,944
£ 468,530			£ 841,275
	<u>CURRENT ASSETS</u>		
£ 11,872	Debtors		£ 9,670
153,242	Premier Investment Account		3,812
35,780	Bank Balance		44,078
£ 200,894			£ 57,560
	<u>CURRENT LIABILITIES</u>		
£ 51,824	Creditors: Amounts falling due within one year	4	£ 289,249
149,070	<u>NET CURRENT ASSETS/(LIABILITIES)</u>		(231,689)
£ 617,600	<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		£ 609,586
(118,751)	Deferred Income	5	(106,251)
£ 498,849			£ 503,335
	<u>CAPITAL AND RESERVES</u>		
£ 282,388	Called Up Share Capital	6	£ 282,388
37,612	Capital Redemption Reserve		37,612
178,849	Retained Profit		183,335
£ 498,849			£ 503,335

The directors have:-

- (i) taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985

and

- (ii) in their opinion the company is entitled to those exemptions on the basis that it qualifies as a small company.

Alan James

..... Director

28th February 2000 Date

KINCURDIE FISHING COMPANY LIMITED

NOTES TO THE ACCOUNTS

For the year ended 31st December 1999

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting.

Tangible Fixed Assets and Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off the asset cost, less estimated residual value of each asset evenly over its expected useful life as follows:-

Fishing Vessel and Gear	5%
Motor Vehicles	20%

Intangible Fixed Assets and Amortisation

Licences are amortised to the profit and loss account over fifteen years.

Government Grants

Grants of a capital nature are treated as deferred income and are brought into the Profit and Loss Account at the rate of depreciation of the relevant fixed asset.

Deferred Taxation

Deferred taxation is provided on the liability method unless there is reasonable probability that such liability will not arise within three years of the end of the financial year.

Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.

2. INTANGIBLE ASSETS

	<u>Licence</u>
<u>Cost</u>	
At 1st January 1999	£ 55,000
Additions	213,000
	<hr/>
At 31st December 1999	£ 268,000
	<hr/>
<u>Amortisation</u>	
At 1st January 1999	£ -
Charge for Year	3,668
	<hr/>
At 31st December 1999	£ 3,668
	<hr/>
<u>Net Book Value</u>	
At 31st December 1999	£ 264,332
	<hr/> <hr/>
At 31st December 1998	£ 55,000
	<hr/> <hr/>

KINCURDIE FISHING COMPANY LIMITED

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31st December 1999

3. TANGIBLE ASSETS

	Fishing Vessel Under Construction	Fishing Vessel and Gear	Motor Vehicle	Total
<u>Cost</u>				
At 1st January 1999	£ -	£ 864,659	£ 23,000	£ 887,659
Additions	206,830	-	5,000	211,830
At 31st December 1999	£ 206,830	£ 864,659	£ 28,000	£ 1,099,489
<u>Depreciation</u>				
At 1st January 1999	£ -	£ 468,532	£ 5,597	£ 474,129
Charge for Year	-	43,233	5,183	48,416
At 31st December 1999	£ -	£ 511,765	£ 10,780	£ 522,545
<u>Net Book Value</u>				
At 31st December 1999	£ 206,830	£ 352,894	£ 17,220	£ 576,944
<u>Net Book Value</u>				
At 31st December 1998	£ -	£ 396,127	£ 17,403	£ 413,530

4. CREDITORS: Amounts Falling Due Within One Year

The bank overdraft amounting to £273,306 (1998 - NIL) is secured by a boat mortgage over both the existing vessel and the vessel under construction.

5. DEFERRED INCOME

	<u>1999</u>	<u>1998</u>
<u>Capital Grants on Fishing Vessel</u>		
Balance at 1st January 1999	£ 118,751	£ 137,501
Credited to Profit and Loss Account	(12,500)	(18,750)
Balance at 31st December 1999	£ 106,251	£ 118,751

6. CALLED UP SHARE CAPITAL

Authorised

Ordinary £1 Shares £ 400,000 £ 400,000

Issued

Ordinary £1 Shares Fully Paid £ 282,388 £ 282,388

7. RECONCILIATION OF SHAREHOLDERS' FUNDS

Funds at beginning of year	£ 498,849	£ 473,210
Profit for year	4,486	25,639
Funds at end of year	£ 503,335	£ 498,849