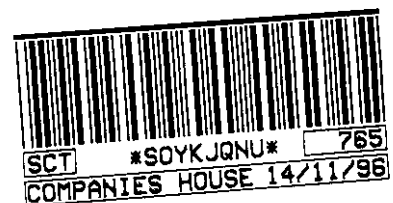


ELDON PROPERTY DEVELOPMENTS
(STRATHCLYDE) LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1996

COMPANY NUMBER 64237

8



ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1996

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The following page does not form part of the statutory accounts.

Detailed trading and profit and loss account Appendix 1.

ÉLDON PROPERTY DEVELOPMENT (STRATHCLYDE) LIMITED

COMPANY INFORMATION

Incorporated in Scotland on 8 March 1978
Company number 64237

CHAIRMAN	Alan William Lobban
SECRETARY	Lisa Lobban
REGISTERED OFFICE	74 Townhead Kirkintilloch GLASGOW G66 1NZ
BANKERS	The Royal Bank of Scotland plc Gleneden Court Kirkintilloch Road Lenzie, Kirkintilloch GLASGOW G66 4LW
AUDITORS	Robert D Locke & Co. Chartered Accountants and Registered Auditors 2 The Cross Court Bishopbriggs Glasgow G64 2RD

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED

DIRECTOR'S REPORT

The director presents his report and the audited financial statements for the year ended 31 March 1996.

PRINCIPAL ACTIVITY

The company is principally engaged in property development. The director believes that the affairs of the company remain satisfactory.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year and their interest in the shares of the company as recorded in the register of directors interests were as follows:-

	Number of £1 Shares held At	
	31 March 1996	31 March 1995
Alan William Lobban	90	94

EVENTS SINCE THE END OF THE YEAR

There have been no important events affecting the company since the financial year end.

AUDITORS

Messrs. Robert D. Locke & Co., Chartered Accountants, have agreed to offer themselves for re-appointment as auditors of the company.

SMALL COMPANY EXEMPTIONS

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

On behalf of the Board

Lisa Lobban

Lisa Lobban
Secretary

28 October 1996

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

I am required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements I am required to:

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

I am also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

By order of the Board



Lisa Lobban
Secretary

28 October 1996

**ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS
OF ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED**

We report on the accounts for the year ended 31 March 1996 set out on pages 5 to 11.

Respective responsibilities of directors and reporting accountants

As described on pages 6 to 7 the company's director is responsible for the preparation of the accounts, and he considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

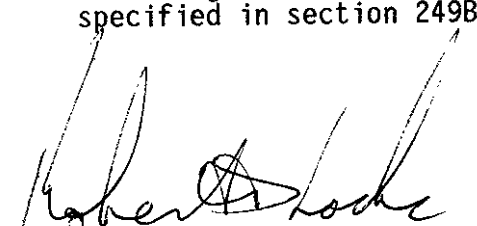
Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)



Robert D Locke & Co.
Chartered Accountants and
Registered Auditors,
2 The Cross Court,
Bishopbriggs.
Glasgow.
G64 2RD.

28 October 1996

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 1996

	Note	1996 £	1995 £
Turnover	2	322,450	108,566
Sundry costs		189,661	9,018
GROSS PROFIT		<u>132,789</u>	<u>99,548</u>
Other operating charges		78,406	73,282
OPERATING PROFIT	3	<u>54,383</u>	<u>26,266</u>
Other income	4	3,281	208
Interest payable	5	(27,574)	(18,930)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>30,090</u>	<u>7,544</u>
Taxation	6	<u>9,404</u>	<u>(3,210)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>20,686</u>	<u>10,754</u>
Dividends	7	<u>16,500</u>	<u>15,102</u>
RETAINED PROFIT/(LOSS) FOR YEAR		<u>4,186</u>	<u>(4,348)</u>

Movements in reserves are shown in note 14.

There were no recognised gains or losses in 1996 or 1995 other than the profit for the year.

The notes on pages 8 to 11 form part of the financial statements.
 Accountants' report on page 4.

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
BALANCE SHEET
AS AT 31 MARCH 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Tangible assets	8	22,282	14,193
Property investments	9	646,791	646,791
		<u>669,073</u>	<u>660,984</u>
CURRENT ASSETS			
Work in Progress		47,443	-
Debtors	10	30,801	25,225
Bank and cash	11	-	34
		<u>78,244</u>	<u>25,259</u>
CREDITORS: Amounts falling due within one year	12(a)	184,452	119,235
NET CURRENT LIABILITIES		<u>(106,208)</u>	<u>(93,976)</u>
TOTAL NET ASSETS		562,865	567,008
CREDITORS: Amounts falling due after more than one year	12(b)	198,103	206,432
		<u>364,762</u>	<u>360,576</u>
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	207,859	203,673
Revaluation reserve		156,803	156,803
		<u>364,762</u>	<u>360,576</u>
		=====	=====

The director:-

1. confirms that for the year ending 31 March 1996 the company was entitled to the exemption under subsection (2) of section 249A.
2. confirms that no notice requiring an audit had been deposited under subsection (2) of section 249B in relation to the accounts for the financial year' and
3. acknowledges his responsibility for:-
 - (a) ensuring that the company keeps accounting records which comply with section 221; and
 - (b) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
BALANCE SHEET (CONT'D)
AS AT 31 MARCH 1996

The director has taken advantage of the exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985, applicable to small companies in the preparation of their accounts, and has done so on the grounds that, in his opinion, the company is entitled to the benefit of those exemptions as a small company.

The financial statements on pages 8 to 11 were approved by the Board of Directors on Monday 28 October 1996

A handwritten signature in black ink, appearing to read 'A. Lobban', with a stylized flourish at the end.

A. Lobban

Director

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1996

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Financial Statements have been prepared under the historical cost convention. There have been no changes in the accounting policies from the previous year.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

(b) Depreciation

Tangible assets, including assets obtained under hire purchase and lease contracts are capitalised and depreciated on a reducing balance basis calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:-

Office Equipment	20%
Motor vehicles	25%

(c) Stock

Stock is stated at the lower of cost and net realisable value.

Cost means purchase price including transport and handling costs, less trade discounts. Work in progress comprises of the cost of direct materials and labour plus attributable overheads based on the normal level of activity. Net realisable value means estimated selling price less the estimated cost of disposal.

2. TURNOVER

Turnover represents the total amount receivable by the company in the ordinary course of business for goods supplied and services rendered (net of value added tax).

3. OPERATING PROFIT

(a) Operating profit if stated after charging :-

	1996 £	1995 £
Director's remuneration (see below)	18,720	19,690
Auditors' remuneration	2,295	2,240
Depreciation	7,273	4,463
	-----	-----
	28,288	26,393
	=====	=====

(b) Director's remuneration

For management	18,000	18,000
Pension contributions	720	1,690
	-----	-----
	18,720	19,690
	=====	=====

4. OTHER INCOME

Interest on corporation tax refund	-	208
Gain on sale of motor vehicle	3,281	-
	-----	---
	3,281	208
	=====	===

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1996

	1996 £	1995 £	
5. INTEREST PAYABLE			
Bank overdraft	7,895	500	
Loans wholly repayable within fifteen years	19,679	18,430	
	<u>27,574</u>	<u>18,930</u>	
	=====	=====	
6. TAXATION			
The taxation charge is based on the profit for the year and is made up as follows:-			
U.K. corporation tax @ 25% (1995 25%)	9,404	2,531	
Over provision from prior years	-	(5,741)	
	<u>9,404</u>	<u>(3,210)</u>	
	=====	=====	
7. DIVIDENDS			
Final dividend paid	16,500	15,102	
	=====	=====	
8. TANGIBLE FIXED ASSETS			
	Motor vehicles £	Office equipment £	Total £
COST			
At 1 April 1995	19,500	4,684	24,184
Disposals	(19,500)	(2,000)	(21,500)
Additions	27,250	1,081	28,331
	<u>27,250</u>	<u>3,765</u>	<u>31,015</u>
At 31 March 1996	27,250	3,765	31,015
	-----	-----	-----
DEPRECIATION			
At 1 April 1995	8,531	1,460	9,991
On disposal	(8,531)	-	(8,531)
Charge for year	6,812	461	7,273
	<u>6,812</u>	<u>1,921</u>	<u>8,733</u>
At 31 March 1996	6,812	1,921	8,733
	-----	-----	-----
NET BOOK VALUE			
At 31 March 1996	20,438	1,844	22,282
	=====	=====	=====
At 31 March 1995	10,969	3,224	14,193
	=====	=====	=====
9. PROPERTY INVESTMENTS			
	1996 £	1995 £	
FREEHOLD PROPERTIES			
AT COST OR REVALUATION			
At 1 April 1995	646,791	621,662	
Additions	-	25,129	
	<u>646,791</u>	<u>646,791</u>	
At 31 March 1996	646,791	646,791	
	=====	=====	

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1996 (Contd.)

10. DEBTORS	1996 £	1995 £
A.C.T. recoverable	4,125	3,775
Value added tax	6,676	-
Trade debtors	20,000	21,262
Prepayments	-	188
	-----	-----
	30,801	25,225
	=====	=====

11. BANK AND CASH

Bank	-	-
Cash	-	34
	---	---
	-	34
	===	==

12. CREDITORS

(a) Amounts falling due within one year of the balance sheet date:-

Business term loan	28,577	28,577
Trade creditors	7,946	16,841
Bank overdraft	107,088	24,384
H.P. creditor	6,500	1,855
Corporation tax - current	9,404	2,530
Accrued charges	5,627	24,335
Director's loan	14,233	17,781
A.C.T. payable	4,125	-
Value Added Tax	-	2,245
P.A.Y.E & N.I.C	952	687
	-----	-----
	184,452	119,235
	=====	=====

All bank borrowings are secured by a Bond and Floating Charge over the company's assets, together with a standard security over the heritable property investments.

(b) Amounts falling due after more than one year of the balance sheet date:-

Business term loan	197,561	206,432
H.P. Creditor	542	-
	-----	-----
	198,103	206,432
	=====	=====

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1996 (Contd.)

	1996 £	1995 £
13. SHARE CAPITAL		
Authorised 50,000 Ordinary shares of £1 each	50,000 =====	50,000 =====
Allotted, called up and fully paid 100 Ordinary shares of £1 each	100 ===	100 ===
14. PROFIT AND LOSS ACCOUNT		
Balance at 1 April 1995	203,673	208,021
Retained profit/(loss) for year	4,186 -----	(4,348) -----
Balance at 31 March 1996	207,859 =====	203,673 =====

15. CAPITAL COMMITMENTS

There were no capital commitments at 31 March 1996 or 31 March 1995.

16. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 1996 or 31 March 1995.

17. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its director. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £720 (1995 - £1,690). No single contribution was made at the year end.

ELDON PROPERTY DEVELOPMENTS (STRATHCLYDE) LIMITED
TRADING ACCOUNT
YEAR ENDED 31 MARCH 1996

	1996 £	1995 £
Sales	302,450	108,566
Management charge	20,000	-
	-----	-----
	322,450	108,566
Sundry costs	189,661	9,018
	-----	-----
GROSS PROFIT	132,789	99,548
	-----	-----
Director's remuneration	18,000	18,000
Office salaries	18,935	18,180
Director's pension scheme	720	1,690
Rates and insurance	8,813	7,090
Motor and travel expenses	3,705	4,251
Telephone	2,413	2,268
Postage, stationery and advertising	127	2,072
Audit fee	2,295	2,240
Professional and legal fees	3,834	4,285
Loan interest	19,679	18,430
Bank interest	7,895	500
Hire purchase interest	849	490
Repairs and renewals	4,903	1,458
Heat and light	-	1,474
Lease of equipment	618	578
General expenses	5,921	4,743
Depreciation	7,273	4,463
	-----	-----
	105,980	92,212
	-----	-----
TRADING PROFIT	26,809	7,336
	-----	-----
Gain on sale of motor vehicle	3,281	-
Other income	-	208
	-----	-----
	30,090	7,544
	=====	=====