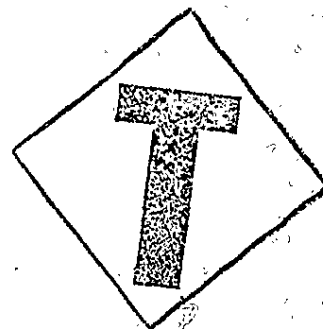


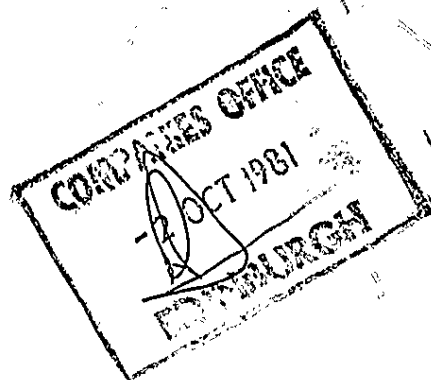
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ALEXANDER OASTLER LIMITED

REPORT AND ACCOUNTS

MARCH 31, 1981



Oswalds of Edinburgh Limited
Company Registration Agents
24 Castle Street,
Edinburgh

ALEXANDER OASTLER LIMITED

NOTICE IS HEREBY GIVEN that the Thirty-Second Annual General Meeting of the Company will be held within the Chambers of Shiell & Small, 5 Bank Street, Dundee, on Thursday, September 3, 1981 at 11.15 a.m. for the following purposes:-

1. To receive and consider the Directors' Report and Accounts of the Company for the year to March 31, 1981 together with the Auditors' Report thereon.
2. To re-elect Directors.
3. To recommend the re-appointment of the Auditors and to authorise the Directors to fix their remuneration.
4. To transact any other business of an Annual General Meeting of the Company.

BY ORDER OF THE BOARD,

SHIELL & SMALL,

Secretaries.

DUNDEE
3rd August, 1981.

Note: A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of him. A Proxy need not also be a member. Instruments appointing a Proxy, to be effective, must be lodged with the Company at least 48 hours before the appointed time of the Meeting.

ALEXANDER OASTLER LIMITED

DIRECTORS' REPORT

The directors submit their report and accounts for the year ended March 31, 1981.

Results and Dividends

The profit on trading for the year was £14,510. The directors recommend that no dividend be paid for the year and that the profit be retained.

Principal Activity

The company's principal activity during the year was that of joinery work.

Directors and their interests

The directors at March 31, 1981 who served during the year and their interests in the issued share capital of the company (all beneficially held) were as follows:-

	At March 31, 1981	At March 31, 1980
I. McTavish Ramsay (Chairman)	-	-
H.L. Ramsay	-	-
P. Robertson	-	-
G.L. Strachan	-	-
D.M. Melville	-	-
Mrs. A.S.M. Urquhart	-	-

Mr. I. McTavish Ramsay, G.L. Strachan & D.M. Melville are directors of McTavish Ramsay and Company Limited which held 7,800 shares of the company throughout the year.

Mrs. A.S.M. Urquhart was appointed a director of the company by the members at the company's annual general meeting on August 21, 1980.

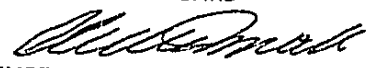
Mrs. A.S.M. Urquhart is an executor in the estate of her late husband which holds 3,200 shares in the company.

In accordance with the company's Articles of Association the directors retiring at this time are Messrs. I. McTavish Ramsay and H.L. Ramsay.

Auditors

The auditors, Sievwright Dickson & Co., have intimated their willingness to be reappointed and a resolution to this effect will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD


SHIELL & SMALL

Secretaries.

DUNDEE
3rd August, 1981.

REPORT OF THE AUDITORS TO THE MEMBERS OF
ALEXANDER OASTLER LIMITED

We have examined the accounts set out on pages 3 to 10. These accounts have been prepared under the historical cost convention.

In our opinion these accounts give, under the accounting convention stated above, a true and fair view of the state of the company's affairs at March 31, 1981 and of the profit and source and application of funds for the year ended on that date and comply with the Companies Acts 1948 and 1967.



SIEVWRIGHT DICKSON & CO.

ARBROATH
3rd August, 1981.

ALEXANDER OASTLER LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED MARCH 31, 1981

	Notes	1981	1980
		£	£
Turnover	2	282,327	289,302
Profit for Year after charging:-		10,110	9,829
Directors remuneration:-			
Fees	4,000		4,034
Other emoluments	17,820		11,506
Pension to widow of former director	2,400		1,600
Depreciation	6,349		6,590
Bank Overdraft interest	2		59
Auditors' remuneration and crediting:-	920		605
Franked investment income(gross)	171		143
Building Society interest(net)	-		229
Gain on disposal of fixed assets	82		1,063
Dividends received and receivable from associated company in respect of previous year and current year(gross)	1,607	1,607	
Share of profits of associated company		5,960	4,405
Profit before taxation		16,070	14,234
Taxation: the company-credit for year	3 (1,693)		3,975
-exceptional credit	3 (1,582)		-
associated company	2,294		1,776
		(981)	5,751
Profit after taxation		17,051	8,483
Increase in company's share of post acquisition profits retained by associated company	5	2,541	1,504
Retained profit for year		14,510	6,979
Retained profit brought forward		59,174	52,195
Retained profit carried forward		73,684	59,174

The notes on pages 6 to 10 form part of these accounts.

ALEXANDER OASTLER LIMITED
BALANCE SHEET AT MARCH 31, 1981

	<u>Notes</u>	<u>1981</u>	<u>1980</u>
		£	£
Fixed assets	4	41,324	39,324
Associated company	5	16,500	16,500
Investment	6	1,000	1,000
Current assets			
Stocks and Work in Progress	7	30,019	14,955
Debtors		26,991	34,127
Amount due by holding company		-	765
Taxation recoverable		1,959	-
Cash and Bank Balances		6,944	3,186
		<u>65,913</u>	<u>53,033</u>
Current Liabilities			
Creditors		27,675	25,993
Amount due to holding company		5,646	-
Current Taxation		-	5,851
Bank Overdraft		-	33
		<u>33,321</u>	<u>31,877</u>
Net current assets		32,592	21,156
		<u>91,416</u>	<u>77,980</u>
Representing:-			
Share Capital	8	11,000	11,000
Retained profit		73,684	59,174
		<u>84,684</u>	<u>70,174</u>
Deferred taxation	9	6,732	7,806
		<u>91,416</u>	<u>77,980</u>

P . Robertson)

H.L.Ramsay)

Directors

The notes on pages 6 to 10 form part of these accounts.

ALEXANDER OASTLER LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED MARCH 31, 1981

	<u>1981</u>	<u>1980</u>
	£	£
Source of funds		
Profit for year	10,110	9,829
Dividend received from associated company	1,607	1,607
Profit before taxation	11,717	11,436
Adjustments for items not involving the movement of working capital		
Depreciation	6,349	6,590
Gain on disposal of fixed assets	(82)	(1,063)
Deferred Grants	-	100
	6,267	5,627
Total generated from operations	17,984	17,063
Funds from other sources		
Proceeds from sales of fixed assets	2,100	6,697
Tax recovered	-	4,158
	2,100	10,855
	20,084	27,918
Application of funds		
Purchase of fixed assets	10,367	21,378
Tax paid	6,091	625
Grants disallowed	-	899
	16,458	22,902
Working capital - increase	3,626	5,016
Components of movement in working capital		
Stocks and work in progress	15,064	(8,500)
Debtors	(7,136)	2,480
Amount due by/to holding company	(6,411)	7,677
Creditors	(1,682)	(7,618)
	(165)	(5,961)
Movement in net liquid funds:-		
Building Society deposit - (decrease)	-	(196)
Bank and cash - increase	3,791	11,173
	3,791	10,917
	3,626	5,016

The notes on pages 6 to 10 form part of these accounts.

ALEXANDER OASTLER LIMITED
NOTES TO THE ACCOUNTS AT MARCH 31, 1981

1. Accounting policies

(a) Associated company

The company's share of the profits of an associated company is included in the company's profit and loss account. As the company has no subsidiaries and does not otherwise prepare consolidated accounts, the share of the associated companies post-acquisition retained profits and reserves are shown by way of note and not included in the balance sheet of the company (see note 5).

Sales by the associated company are not included in turnover.

(b) Depreciation

The company's policy is to provide depreciation on all fixed assets, other than on freehold properties. The rates used are calculated to write off the cost of each asset on the reducing balance method over its expected useful life, as follows:-

Plant and machinery	- 10%
Furniture and fittings	- 10%
Motor vehicles	- 25%

No depreciation has been provided on freehold properties in view of the company's maintenance policy, which extends the expected useful life to such a degree that the depreciation charge would not be a material amount.

(c) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value as follows:-

i) Cost incurred in bringing each product to its present location and condition.

Raw Materials - purchase cost on a first in/first out basis.

Work in progress - cost of direct materials and direct labour plus attributable production overheads less cash received as progress payments to account.

ii) Net realisable value based on estimated selling price less all further costs expected to be incurred to completion and disposal.

(d) Deferred taxation

Deferred taxation is provided on the liability method at the year end rate of corporation tax on all material timing differences (see note 9)

2. Turnover

Turnover represents the invoiced amount of goods sold and services provided during the year exclusive of value added tax and cash discounts.

ALEXANDER OASTLER LIMITED
NOTES TO THE ACCOUNTS AT MARCH 31, 1981 (Cont'd.)

3. Taxation

The taxation credit is made up as follows:-	<u>1981</u>	<u>1980</u>
	£	£
Based on the profits of the year:-		
Corporation tax recoverable at 40%	(1,959)	-
Corporation tax at 40%	-	5,851
Deferred taxation	880	(1,880)
Irrecoverable tax attributable to dividend income	51	43
	<u>(1,028)</u>	<u>4,014</u>
Taxation adjustment in respect of previous years:-		
Corporation tax	(293)	(591)
Deferred taxation	(372)	552
	<u>(1,693)</u>	<u>3,975</u>

The exceptional taxation credit amounting to £1,582 arises from the transfer from the deferred taxation account the amount of the liability which related to stock relief. Following the change in the rules for calculating stock relief in the 1981 Finance Bill the directors do not consider that the deferred liability is likely to fall due in the foreseeable future and consequently the provision has been withdrawn.

4. Fixed assets

	<u>Freehold Properties</u>	<u>Plant & Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£
Cost				
At April 1, 1980	14,989	14,354	24,213	53,556
Additions	-	5,300	5,067	10,367
Disposals	-	-	(3,587)	(3,587)
	<u>14,989</u>	<u>19,654</u>	<u>25,693</u>	<u>60,336</u>
At March 31, 1981				
Depreciation				
At April 1, 1980	-	7,506	6,726	14,232
Provided during the year	-	1,215	5,135	6,350
Disposals	-	-	(1,570)	(1,570)
	<u>-</u>	<u>8,721</u>	<u>10,291</u>	<u>19,012</u>
At March 31, 1981				
Net Book Amounts:-				
March 31, 1981	<u>14,989</u>	<u>10,933</u>	<u>15,402</u>	<u>41,324</u>
April 1, 1980	<u>14,989</u>	<u>6,848</u>	<u>17,487</u>	<u>39,324</u>

ALEXANDER OASTLER LIMITED
NOTES TO THE ACCOUNTS AT MARCH 31, 1981 (Cont'd.)

5. Associated company

	<u>1981</u>	<u>1980</u>
	£	£
Shares at cost	<u>16,500</u>	<u>16,500</u>

The company holds 37.5% of the issued ordinary share capital of Dundee Indoor Bowling Rink Limited, a company registered in Scotland.

	<u>1981</u>	<u>1980</u>
	£	£
Company's share of profits for year before tax	5,960	4,405
Less: Corporation tax thereon	<u>2,294</u>	<u>1,776</u>
	3,666	2,629
Less: dividend receivable in respect of period to March 31, 1981	<u>1,125</u>	<u>1,125</u>
	<u>2,541</u>	<u>1,504</u>

The company's share of post acquisition profits retained by the associated company amounts to:-

Balance brought forward	17,659	16,155
(Decrease)/increase for year	<u>2,541</u>	<u>1,504</u>
	<u>20,200</u>	<u>17,659</u>

6. Investment

	<u>1981</u>	<u>1980</u>
	£	£
Unquoted investment at cost	<u>1,000</u>	<u>1,000</u>

The directors' estimate of the market value of this investment is £1,000 (1980 - £1,000).

ALEXANDER OASTLER LIMITED
NOTES TO THE ACCOUNTS AT MARCH 31, 1981 (Cont'd.)

7. Stocks and work in progress

		<u>1981</u>	<u>1980</u>
	£	£	£
The main categories of stocks comprise:-			
Stocks - at cost		3,927	2,654
Work in progress	94,869		47,397
Less: payments received to account	68,777		35,096
		<u>26,092</u>	<u>12,301</u>
		<u>30,019</u>	<u>14,955</u>

8. Share capital

	<u>1981</u>	<u>1980</u>
	£	£
Authorised: 12,000 ordinary shares of £1 each	<u>12,000</u>	<u>12,000</u>
Issued and fully paid: 11,000 ordinary shares of £1 each	<u>11,000</u>	<u>11,000</u>

9. Deferred taxation

	<u>1981</u>	<u>1980</u>
	£	£
Taxation deferred by:-		
Capital allowances in advance of depreciation	6,732	6,144
Stock relief on increases in stock	-	1,662
	<u>6,732</u>	<u>7,806</u>

10. Capital commitments

There were no amounts authorised or contracted for future capital expenditure at either March 31, 1981 or March 31, 1980.

11. Contingent liabilities

The company has granted a Bond of Cash Credit and Floating Charge in favour of the Clydesdale Bank Limited for all advances.

ALEXANDER OASTLER LIMITED
NOTES TO THE ACCOUNTS AT MARCH 31, 1981 (Cont'd.)

12. Holding company

The company is a subsidiary of McTavish Ramsay and Company Limited, a company registered in Scotland.