

A & J MACNAUGHTON LTD

**DIRECTOR'S REPORT AND FINANCIAL
STATEMENTS**

REGISTERED NUMBER 32244

31ST JANUARY 2003



SCT SJRRCNWO 0046
COMPANIES HOUSE 29/08/03

Director's report

The director presents his annual report and the financial statements for the year ended 31st January 2003.

Principal activity

The Company did not trade during the year.

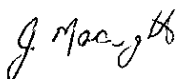
Directors and directors' interests

The directors who held office during the year were as follows.

B A C Macnaughton
D J Stobie (resigned 30th September 2002)

BAC Macnaughton had no disclosable interest in the shares of the company according to the register of directors' interests. His interest in the shares of the ultimate parent company is disclosed in that company's directors' report.

By order of the board



J L Macnaughton
Secretary

Tower House
Ruthvenfield Road
Perth

26th August 2003

Statements of Director's responsibilities

Company law requires the director 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 for that period. In preparing those financial statements, the director is required to:

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He has general responsibility for taking such steps as a reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Balance Sheet
as at 31st January 2003

	Note	2003 £	2002 £
Current Assets			
Debtors	3	<u>59,794</u>	<u>59,794</u>
Net Assets		<u><u>59,794</u></u>	<u><u>59,794</u></u>
Capital and Reserves			
Called up share capital	4	59,000	59,000
Capital reserve		<u>794</u>	<u>794</u>
Equity shareholders' funds		<u><u>59,794</u></u>	<u><u>59,794</u></u>

The director:

- a) confirms that the company was entitled to exemption under subsection (1) of section 249AA of the Companies Act 1985 from the requirement to have its accounts for the financial year ended 31st January 2003 audited;
- b) confirms that members have not required the company to obtain an audit of its accounts for that financial year in accordance with sub-section (2) of section 249(B) of that Act; and
- c) acknowledges his responsibilities for:
 - i) ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit or loss for the financial year in accordance with section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The financial statements were approved on 26th August 2003.



B A C Macnaughton
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

2 Profit and loss account

During the financial year the company did not trade and received no income and incurred no expenditure. Consequently, during the year the company made neither a profit nor a loss. The directors received no emoluments in respect of services to the company (2002: nil).

3 Debtors

	2003 £	2002 £
Amounts owed by group undertakings	<u>59,794</u>	<u>59,794</u>

4 Called up share capital

	2003 £	2002 £
Authorised		
Equity: Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>
Allotted, called up and fully paid		
Equity: Ordinary shares of £1 each	<u>59,000</u>	<u>59,000</u>

5 Ultimate parent undertaking

The company is a subsidiary undertaking of Macnaughton Holdings Limited, which is its ultimate parent company and ultimate controlling party.

Macnaughton Holdings Limited is exempt by virtue of s248 of the Companies Act 1985 from the requirement to prepare group accounts. No group accounts include the result of the company.