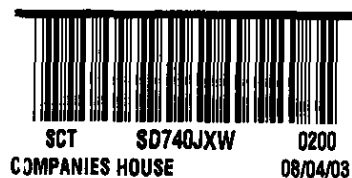


ARKAY PROPERTIES (GLASGOW) LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE, 2002

REGISTERED NO. 34001



ARKAY PROPERTIES (GLASGOW) LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE, 2002

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ARKAY PROPERTIES (GLASGOW) LIMITED**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE, 2002**

The directors present their report and the audited financial statements for the year ended 30 June, 2002.

Principal activities and business review

The company did not trade during the year

Directors' interests in shares of the company

The directors of the company during the year were:

Leslie Wolfson
Alan J. Watt
Glen S. Watson

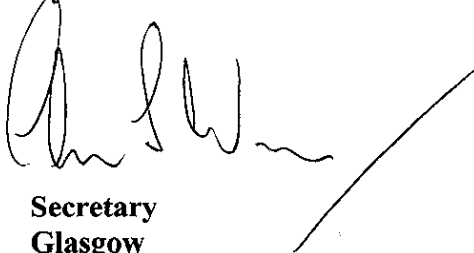
The directors had no interest in the shares of the company at any time during the year. Their interests in the ultimate holding company will be shown in its directors' report.

Auditor

The company did not trade and was dormant during the year. In view of this and in terms of Section 252 of the Companies Act 1985, the Auditors Messrs. Pricewaterhouse Coopers, Chartered Accountants, will not be reappointed.

A Special Resolution to this effect was passed on 27 May, 1988 by the Company at an Extraordinary Meeting.

By order of the board



Secretary
Glasgow
21/12/2002.

ARKAY PROPERTIES (GLASGOW) LIMITED

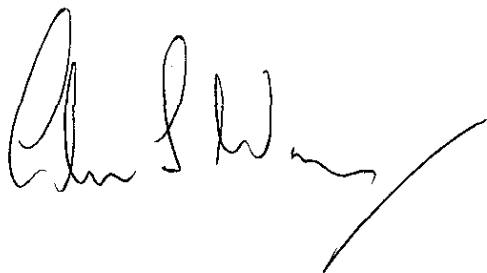
BALANCE SHEET AS AT 30 JUNE, 2002

	Notes	2002 £	2001 £
Current assets			
Debtors	2	<u>100</u>	<u>100</u>
Net assets		<u>100</u>	<u>100</u>
Capital and reserves			
Called up share capital	3	<u>100</u>	<u>100</u>

The company was dormant throughout the financial year. For the year ended 30th June, 2002 the company was entitled to exemption from the requirement to have an audit under the provisions of S249AA(1) of the Companies Act 1985. No notice has been deposited with the company under S249B(2) of that act requiring an audit to be carried out.

The directors acknowledge their responsibility for:

- (a) ensuring the company keeps accounting records in accordance with Section 221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs as at the end of its financial year and of its profit for that financial year in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts so far as they are applicable to the company.



Director

31/12/2002

ARKAY PROPERTIES (GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

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

Intercompany balances

No interest is charged or credited on intercompany balances.

2 Debtors

	2002 £	2001 £
Amounts falling due within one year:		
Due from group companies	<u>100</u>	<u>100</u>

3 Called up share capital

	2002 £	2001 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

4 Ultimate parent company

The ultimate holding company of Arkay Properties (Glasgow) Limited is Kestrel Equities Limited which is registered in Scotland.