

THE BALVICAR PROPERTY COMPANY LIMITED

ANNUAL REPORT AND ACCOUNTS

1ST APRIL 2000 TO 31ST MARCH 2001

Company Registered Number SCO 34136



DIRECTORS' REPORT

The directors present their report to the members, together with the annual accounts for the year ended 31st March 2001.

PRINCIPAL ACTIVITY

The principal activity of the company, which is unchanged since last year was the renting of its properties.

DIRECTORS

The directors of the company and their interests in shares of the company are set out below.

	1/4/00	31/3/01
T. S. ANDERSON	100 shares	100 shares
F DUFF (died 9th June 2000)	0 shares	0 shares
A CLOUGH (appointed 4th June 2000)	0 shares	0 shares

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Company law requires the directors 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, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

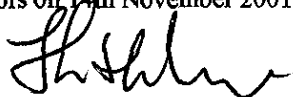
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to re-appoint the auditors will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 14th November 2001 and signed on their behalf by:



T. S. ANDERSON

Director

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
THE BALVICAR PROPERTY COMPANY LIMITED**

We have audited the financial statements of The Balvicar Property Company Limited on pages 3 to 7 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant law and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



W STEWART FERGUSON & CO.
Chartered Accountants
Registered Auditors

50 Wellington Street
Glasgow G2 6HJ

Dated 14th November 2001

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2001

		31-Mar-01		31-Mar-00	
	Notes	£	£	£	£
TURNOVER	1		75,191		71,691
Property expenses			<u>10,182</u>		<u>11,499</u>
			65,009		60,192
GROSS PROFIT					
Staff costs		-		-	
Depreciation		-		-	
Administrative expenses		<u>11,243</u>		<u>7,919</u>	
			11,243		7,919
OPERATING PROFIT	2		<u>53,766</u>		<u>52,273</u>
Dividends from quoted securities		3,017		4,465	
Interest received		<u>1,357</u>			
		4,374			
Interest payable		<u>31,149</u>	<u>26,775</u>	<u>44,618</u>	<u>40,153</u>
			26,991		12,120
Gain on sale of quoted securities			5,016		18,210
Gain on sale of property			-		33,006
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>32,007</u>		<u>63,336</u>
Tax on profit on ordinary activities	3		5,841		5,284
PROFIT FOR THE FINANCIAL YEAR on ordinary activities after taxation			<u>26,166</u>		<u>58,052</u>
Provision for unrealised losses on quoted securities					64,177
RETAINED PROFIT/LOSS transferred to reserves	12		<u>26,166</u>		<u>(6,125)</u>

The notes on pages 5 to 7 form an integral part of these accounts

THE BALVICAR PROPERTY COMPANY LIMITED

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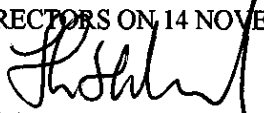
BALANCE SHEET AS AT 31ST MARCH 2001

31-Mar-00

	Notes	£	£	£
FIXED ASSETS				
Tangible assets	4	992,625		976,625
Unquoted securities at cost	5	44,000		44,000
Investments in subsidiary companies	6	13,000		13,000
		<u>1,049,625</u>		<u>1,033,625</u>
CURRENT ASSETS				
Debtors	7	378,883	444,485	
Quoted securities at market value		46,193	82,728	
Cash in bank		26,219	54,222	
		<u>451,295</u>	<u>581,435</u>	
CREDITORS: Amounts falling due within one year	8	<u>155,309</u>	<u>313,229</u>	
NET CURRENT ASSETS		<u>295,986</u>		<u>268,206</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,345,611</u>		<u>1,301,831</u>
CREDITORS: Amounts falling due after more than one year	10	204,290		202,676
		<u>1,141,321</u>		<u>1,099,155</u>
CAPITAL AND RESERVES				
Called up share capital	11	100		100
Revaluation reserve	12	737,254		721,254
Profit and loss a/c	12	403,967		377,801
SHAREHOLDERS FUNDS		<u>1,141,321</u>		<u>1,099,155</u>

The accounts have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies, and the Financial Reporting Standard for Smaller Entities (effective March 2000).

APPROVED BY THE BOARD OF DIRECTORS ON 14 NOVEMBER 2001 AND SIGNED ON THEIR BEHALF BY


T S ANDERSON (DIRECTOR)

The notes on pages 5 to 7 form an integral part of these accounts

NOTES TO THE ACCOUNTS TO 31ST MARCH 2001

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION. The accounts are prepared under the historical cost convention, as modified by the revaluation of land and buildings, and the Financial Reporting Standard for Smaller Entities (effective March 2000).

TURNOVER represents rents received in the year.

PROPERTIES. In accordance with Statement of Standard Accounting Practice No 19, all properties are valued annually. As at 31st March 2001, all properties were valued by Mr T S Anderson, a director, on the basis of open market value. These valuations have been incorporated in the accounts.

DEPRECIATION. No depreciation is provided for in respect of properties. Provision for depreciation of other tangible fixed assets is provided at the following annual rates to write off each asset over its estimated useful life:

Plant and machinery	25% of book value
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DEFERRED TAXATION. Provision is made at appropriate rates for taxation deferred in respect of all timing differences only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

CONSOLIDATION. Advantage has been taken of the exemption from preparing consolidated financial statements available to small groups under the Companies Act 1985. The financial statements present information about the company as an individual undertaking, and not about its group

2. OPERATING PROFIT

The operating profit is stated after charging

	31-Mar-01	31-Mar-00
	£	£
Depreciation on tangible fixed assets	-	-
Directors' emoluments	-	-
Auditors remuneration	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

Corporation tax for year at 20% (2000 20%)	5,795	5,199
Underprovision in previous year	46	85
	<u>5,841</u>	<u>5,284</u>

No provision has been made for the corporation tax which would arise should the land and buildings be sold for the amount of the valuation. It is estimated that the tax payable (at 20%) would be approximately £39,000 (2000 £36,000).

NOTES TO THE ACCOUNTS TO 31ST MARCH 2001

4. TANGIBLE FIXED ASSETS	LAND & BUILDINGS	31-Mar-01	31-Mar-00
		£	£
VALUATION			
At 1st April 2000		976,625	1,004,625
Additions		-	-
Surplus on revaluation		16,000	12,000
Disposals		-	(40,000)
At 31st March 2001		<u>992,625</u>	<u>976,625</u>

THE HISTORICAL COST OF FREEHOLD LAND AND BUILDINGS INCLUDED ABOVE AT A VALUATION OF £992,625 WAS £276,390 (2000 £976,625, £276,390).

At 31st March 2001 there were no commitments for capital expenditure.

5. UNQUOTED SECURITIES AT COST

10 Ordinary shares of £1 each, at cost, in James Plenderleith Ltd	14,000	14,000
400 Ordinary shares of £1 each, at cost, in T S Anderson Ltd	30,000	30,000
	<u>44,000</u>	<u>44,000</u>

6. INVESTMENTS IN SUBSIDIARIES

Shares in subsidiary companies at cost	13,000	13,000
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The subsidiary companies are all wholly owned and registered in Scotland, with the exception of Emma Warwick Limited which is registered in England. They are engaged in the renting of their properties, and the retail of clothing.

	Results year to 31-Mar-01	Results year to 31-Mar-00	Capital & Reserves 31-Mar-01	Capital & Reserves 31-Mar-00
The subsidiary companies are as follows:	£	£	£	£
Balvicar Security Services Ltd	-	-	10,813	10,813
Asgard Property & Investments Ltd	6,902	3,666	17,278	10,376
Argus Overseas Investments Ltd	6,488	19,202	138,490	73,178
Emma Warwick Ltd	4,615	-	(70,926)	-
	<u>18,005</u>	<u>22,868</u>	<u>95,655</u>	<u>94,367</u>

Under the equity method of accounting, the value of the investments in the subsidiary companies is £95,655 (2000 £94,367)

7. DEBTORS

Trade debtors	-	-
Other debtors	11,742	145,759
Amount due by subsidiary companies (Note 6)	367,141	298,726
	<u>378,883</u>	<u>444,485</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank overdraft	96,884	249,479
Bank loans	44,045	44,045
Building Society loan	4,006	-
Other Creditors (including tax & social security of £NIL (2000 £NIL))	4,579	14,506
Corporation tax	5,795	5,199
	<u>155,309</u>	<u>313,229</u>

NOTES TO THE ACCOUNTS TO 31ST MARCH 2001

	31-Mar-01	31-Mar-00
	£	£
9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Borrowings (Note 10)	<u>204,290</u>	<u>202,676</u>
10. BORROWINGS		
Bank and Building Society loans and overdraft		
Due within one year	<u>144,935</u>	<u>293,524</u>
Due between 1 and 2 years	48,145	44,045
Due between 2 and 5 years	66,328	132,135
Repayable after 5 years,	<u>89,817</u>	<u>26,496</u>
	<u>204,290</u>	<u>202,676</u>

Security has been given by the company to secure £349,225 (2000 £496,200) of the amount under creditors.

11. CALLED UP SHARE CAPITAL

Authorised	<u>100</u>	<u>100</u>
Allotted, called up and fully paid	<u>100</u>	<u>100</u>

12. RESERVES

	Re-valuation reserve	Profit and loss account
	2,000	2,000
	£	£
At 1st April 2000	721,254	377,801
Retained profit for the year		26,166
Adjustment for disposal of land and buildings		
Increase /-decrease in properties for the year	<u>16,000</u>	<u>-</u>
At 31st March 2001	<u>737,254</u>	<u>403,967</u>

13. RELATED PARTY TRANSACTIONS

T S Anderson, a director, has guaranteed any bank borrowings to the extent of £50,000 plus associated interest.

T S Anderson has an interest in 3550 shares of T S Anderson Limited.

The company acquired on 28th March 2001 the entire share capital of Emma Warwick Limited for £NIL, 63% of which was owned by T S Anderson.