

**THE GLAMIS PROPERTY
COMPANY LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

1 MARCH 2002



Company no SC034509

THE GLAMIS PROPERTY COMPANY LIMITED

FINANCIAL STATEMENTS

For the year ended 1 March 2002

Company registration number: SC034509

Registered office: Glamis House
33 Albert Square
DUNDEE
DD1 1DJ

Directors: Mr R J W Smith (Chairman)
Mr I M Christie CA

Secretary: Mr I M Christie CA

Bankers: The Royal Bank of Scotland PLC

Solicitors: Ross Strachan & Co
Shield & Kyd
MacRoberts

Auditors: Grant Thornton
Registered auditors
Chartered accountants

THE GLAMIS PROPERTY COMPANY LIMITED

FINANCIAL STATEMENTS

For the year ended 1 March 2002

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THE GLAMIS PROPERTY COMPANY LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 1 March 2002.

Principal activities

The Glamis Property Company Limited is principally engaged in property investment.

Business review

There was a profit for the year after taxation amounting to £236,149 (2001: profit £90,202). The directors recommend payment of dividends of £24,400 (2001: £24,400).

Directors

The present membership of the Board is set out below. All directors served throughout the year. Mr R J W Smith retired by rotation and being eligible was re-elected.

The interests of the directors in the shares of the company were as follows:

	Ordinary shares	
	1 March 2002	2 March 2001
Mr R J W Smith (Chairman)	19,537	19,537
Mr I M Christie CA	-	-

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

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Market value of land and heritable properties

The directors consider that it is not relevant under present circumstances to incur the expense of valuation of land and buildings although such a valuation would show the market value to be in excess of book value.

THE GLAMIS PROPERTY COMPANY LIMITED

REPORT OF THE DIRECTORS

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



Ian M Christie
Secretary
4 September 2003

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GLAMIS PROPERTY COMPANY LIMITED

We have audited the financial statements of Glamis Property Company for the year ended 1 March 2002 which comprise the principal accounting policies, profit and loss account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses and notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal 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 other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

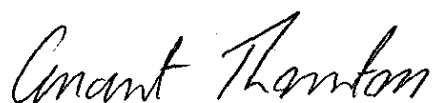
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE GLAMIS PROPERTY COMPANY LIMITED**

Opinion

The financial statements do not comply with the terms of Statement of Standard Accounting Practice No 19 as regards the revaluation of investment properties as disclosed in the principal accounting policies.

Except for the foregoing, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 1 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

GLASGOW
4 September 2003

THE GLAMIS PROPERTY COMPANY LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

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

The company is exempt from preparing consolidated financial statements on the grounds that, taken together with its subsidiaries, it qualifies as a medium-sized group under section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The principal accounting policies of the company have remained unchanged from the previous year with the exception of unfunded pensions liabilities, and are set out below.

TURNOVER

Turnover comprises rents and associated charges receivable by the company in the ordinary course of business with outside customers, excluding Value Added Tax.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets (with the exception of land) by equal instalments over their expected useful lives. However, in respect of buildings (being those which do not qualify as investment properties), the useful lives and estimated residual values are mainly considered such that depreciation is not material. Accordingly, no depreciation is provided in respect of heritable property. However, in accordance with FRS 15, the directors consider those buildings for impairment on an annual basis. The rate applicable in respect of other assets is 25% on a reducing balance basis.

INVESTMENT PROPERTIES

Certain of the company's properties are held for long-term investment and are included in the balance sheet at cost. This policy represents a departure from SSAP 19, which requires investment properties to be carried at market value. Depreciation is not provided in respect of freehold investment properties.

DEFERRED TAXATION

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance date.

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

CONTRIBUTIONS TO PENSION FUNDS

The pension costs charged against profits represent the amount of the contributions payable to the Group schemes in respect of the accounting period.

The company provides an unfunded pension for a former director, and the balance sheet reflects a liability based on an actuarial valuation of the liabilities at the balance sheet date. This represents a change of accounting policy, and no provision was previously made for outstanding liabilities at the balance sheet date.

THE GLAMIS PROPERTY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 1 March 2002

	Note	2002 £	2001 (restated) £
Turnover	1	478,255	449,376
Cost of sales		(84,569)	(77,152)
Gross profit		393,686	372,224
Administrative expenses		(136,782)	(101,545)
Operating profit		256,904	270,679
Exceptional items			
Profit on sale of fixed assets	2	241,012	46,848
Other interest receivable and similar income		59,610	21,237
Interest payable and similar charges		(107,369)	(133,685)
Profit on ordinary activities before taxation	1	450,157	205,079
Tax on profit on ordinary activities	3	(214,008)	(114,877)
Profit for the financial year	12	236,149	90,202
Dividends			
Equity		(24,400)	(24,400)
		(24,400)	(24,400)
Profit transferred to reserves		211,749	65,802

STATEMENT OF RETAINED EARNINGS

	2002 £	2001 (restated) £
At 2 March 2001	1,756,503	1,554,071
Prior year adjustment	(136,630)	-
Retained reserves at 2 March 2001 as restated	1,619,873	1,554,071
Retained profit for the year	211,749	65,802
At 1 March 2002	1,831,622	1,619,873

The accompanying accounting policies and notes form an integral part of these financial statements.

THE GLAMIS PROPERTY COMPANY LIMITED

BALANCE SHEET AT 1 MARCH 2002

	Note	2002 £	2002 £	2001 restated £	2001 restated £
Fixed assets					
Tangible assets	5		2,946,415		3,505,139
Investments	6		250,100		250,100
			<u>3,196,515</u>		<u>3,755,239</u>
Current assets					
Debtors	7	405,095		381,390	
Cash at bank and in hand		1,023,843		2,875,000	
		<u>1,428,938</u>		<u>3,256,390</u>	
Creditors: amounts falling due within one year	8	(1,253,427)		(3,265,720)	
Net current assets			<u>175,511</u>		<u>(9,330)</u>
Total assets less current liabilities			<u>3,372,026</u>		<u>3,745,909</u>
Creditors: amounts falling due after more than one year	9		(1,277,804)		(1,843,606)
Provisions for liabilities and charges	10		(116,800)		(136,630)
			<u>1,977,422</u>		<u>1,765,673</u>
Capital and reserves					
Called up share capital	11		61,000		61,000
Share premium account	13		63,000		63,000
Revaluation reserve	13		17,050		17,050
Other reserves	13		4,750		4,750
Profit and loss account			1,831,622		1,619,873
Shareholders' funds	12		<u>1,977,422</u>		<u>1,765,673</u>

The financial statements were approved by the Board of Directors on 4 September 2003.


 I M Christie

 R J W Smith

Director

Director

The accompanying accounting policies and notes form an integral part of these financial statements.

THE GLAMIS PROPERTY COMPANY LIMITED

CASH FLOW STATEMENT

For the year ended 1 March 2002

	Note	2002 £	2001 £
Net cash inflow from operating activities	14	351,954	135,312
Returns on investments and servicing of finance			
Interest received		59,610	21,237
Interest paid		(107,369)	(133,685)
Net cash outflow from returns on investments and servicing of finance		(47,759)	(112,448)
Taxation		50,226	(50,226)
Capital expenditure			
Purchase of tangible fixed assets		(172,363)	(41,092)
Sale of tangible fixed assets		1,056,167	119,740
Net cash inflow from capital expenditure		883,804	78,648
Acquisitions and disposals			
Proceeds from sales of businesses within subsidiaries		-	2,925,103
Equity dividends paid		(24,400)	-
Management of liquid resources			
Deposits		1,875,000	(2,875,000)
Financing			
Receipts from borrowings		132,000	83,200
Repayment of borrowings		(692,746)	(157,138)
Repayment of inter group balances		(2,489,000)	-
Capital element of finance lease rentals		(3,000)	(3,000)
Net cash outflow from financing		(3,052,746)	(76,938)
Increase in cash	16	36,079	24,451

The accompanying accounting policies and notes form an integral part of these financial statements.

THE GLAMIS PROPERTY COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 1 March 2002

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2002	2001
	£	(restated) £
Profit for the financial year	236,149	90,202
Total recognised gains and losses for the year	236,149	90,202
Prior year adjustments	(136,630)	-
Total gains and losses recognised since last financial statements	99,519	90,202

The accompanying accounting policies and notes form an integral part of these financial statements.

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover is derived from the principal activity of property investment.

The profit on ordinary activities is stated after:

	2002 £	2001 £
Auditors' remuneration - audit services	3,500	4,600
Depreciation	1,931	2,575
Directors emoluments recharged from group undertakings	75,000	67,500

2 EXCEPTIONAL ITEMS

During the year the company made profits on sale of tangible fixed assets of £327,012 (2001: £46,848). In addition a loss was made in respect of a write down in investment of £86,000 regarding shares in subsidiary undertakings.

3 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge represents:

	2002 £	2001 £
UK Corporation tax at 30% (2000 - 30%)	-	23,201
Group relief	237,209	91,993
Deferred taxation	-	(317)
	237,209	114,877
Adjustments in respect of prior periods:		
Corporation tax	(23,201)	-
	214,008	114,877

4 FACTORS AFFECTING THE TAX CHARGE

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 30% (2001 : 30%). The differences are explained as follows:

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

	2002 £	2001 £
Profit on ordinary activities before tax	450,157	205,079
Profit on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 30%:	135,047	61,524
Effect of		
Non allowable expenses	691	1,446
Movements in pension provision	(5,949)	(5,949)
Deductions against capital gains	(44,740)	(3,501)
Group relief charges in excess of 30%	152,160	64,395
Marginal relief	-	(3,038)
Adjustments in respect of prior periods	(23,201)	-
	<u>214,008</u>	<u>114,877</u>

5 TANGIBLE FIXED ASSETS

	Investment properties £	Heritable Property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost					
At 2 March 2001	3,243,792	253,411	13,734	5,957	3,516,894
Additions	172,363	-	-	-	172,363
Reclassifications	89,718	(89,718)	-	-	-
Disposals	(729,156)	-	-	-	(729,156)
At 1 March 2002	<u>2,776,717</u>	<u>163,693</u>	<u>13,734</u>	<u>5,957</u>	<u>2,960,101</u>
Depreciation					
At 2 March 2001	-	350	6,009	5,396	11,755
Provided in the year	-	-	1,931	-	1,931
At 1 March 2002	<u>-</u>	<u>350</u>	<u>7,940</u>	<u>5,396</u>	<u>13,686</u>
Net book amount at 1 March 2002	<u>2,776,717</u>	<u>163,343</u>	<u>5,794</u>	<u>561</u>	<u>2,946,415</u>
Net book amount at 1 March 2001	<u>3,243,792</u>	<u>253,061</u>	<u>7,725</u>	<u>561</u>	<u>3,505,139</u>

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

The figures stated above include assets held under hire purchase contracts, as follows:

	Motor vehicles £
Net book amount at 1 March 2002	<u>5,794</u>
Net book amount at 1 March 2001	<u>7,725</u>
Depreciation provided during year	<u>1,931</u>

6 FIXED ASSETS INVESTMENTS

	Shares in group undertakings £
At 2 March 2001	250,100
Additions	<u>86,000</u>
At 1 March 2002	336,100
Amounts written off	
Provided during the year	<u>86,000</u>
At 1 March 2002	<u>86,000</u>
Net book amount at 1 March 2002	<u>250,100</u>
Net book amount at 1 March 2001	<u>250,100</u>

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

At 1 March 2002 the company held more than 20% of the allotted share capital of the following undertakings:

	Country of registration	Class of share capital held	Proportion held	Nature of business	Capital and reserves	Profit / (loss) for the financial year
					£	£
Alex Smith (Stores) Ltd	Scotland	Ordinary	100%	Non trading	685,975	24,749
Robert Cable & Co Ltd	Scotland	Ordinary	100%	Finance Company	666,575	(461,804)
Howlon Ltd	Scotland	Ordinary	100%	Property trading	17,743	-
George Fairweather Ltd	Scotland	Ordinary	100%	Non trading	22,559	-
Cable Asset Management Ltd	Scotland	Ordinary	100%	Non trading	148,360	-
Rapid Recovery (Scotland) Limited	Scotland	Ordinary	100%	Non trading	100	-
Cable Financial Services Ltd	Scotland	Ordinary	100%	Non trading	100	-
Scotts Travel Agency Ltd	Scotland	Ordinary	100%	Travel agency	(5,829)	(91,907)

The financial statements of the above subsidiary undertakings have not been consolidated because the directors have claimed exemption from doing so as a medium sized group under s248(3) of the Companies Act 1985.

7 DEBTORS

	2002 £	2001 £
Amounts owed by subsidiary undertakings	396,662	330,913
Other debtors	-	251
Taxation recoverable	-	50,226
Prepayments and accrued income	8,433	-
	<u>405,095</u>	<u>381,390</u>

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Bank loans	100,446	97,140
Bank overdraft	-	12,236
Amounts due to subsidiary undertakings	1,023,118	3,005,226
Corporation Tax	-	23,201
Proposed dividends	24,400	24,400
Accruals and deferred income	103,713	100,517
Obligations under hire purchase agreements	1,750	3,000
	<u>1,253,427</u>	<u>3,265,720</u>

The bank loans are secured on specific properties belonging to the company.

The obligations under hire purchase agreements are secured on the underlying assets.

There are no fixed terms for payment of the amounts due to subsidiary undertakings.

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £	2001 £
Bank loans	1,277,804	1,841,856
Obligations under hire purchase agreements	-	1,750
	<u>1,277,804</u>	<u>1,843,606</u>

Bank loans

The bank loans are repayable by monthly instalments over 13 years commencing July 1994, December 1994, January 1996, June 1997, March 1999, June 1999, September 2000, September 2001, November 2001, May 2002 and December 2003 respectively, and carry interest at 1.5% over the base rate. The loans are secured as shown in note 8 above.

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

Borrowings are repayable as follows:	2002 £	2001 £
Within one year		
Bank and other borrowings	100,446	109,376
Obligations under hire purchase agreements	1,750	3,000
After one and within two years		
Bank and other borrowings	108,331	127,380
Obligations under hire purchase agreements	-	1,750
After two and within five years		
Bank and other borrowings	383,421	442,251
After five years		
Bank and other borrowings	786,052	1,272,225
	<u>1,380,000</u>	<u>1,955,982</u>

Bank and other borrowings repayable after five years comprise:	2002 £	2001 £
Bank loans	<u>786,052</u>	<u>1,272,225</u>

10 PROVISIONS FOR LIABILITIES AND CHARGES

	Pensions and similar obligations £	Total £
At 2 March 2001 - as restated	136,630	136,630
Utilised during the year	(19,830)	(19,830)
At 1 March 2002	<u>116,800</u>	<u>116,800</u>

11 SHARE CAPITAL

	2002 £	2001 £
Authorised		
61,000 ordinary shares of £1 each	<u>61,000</u>	<u>61,000</u>
Allotted, called up and fully paid		
61,000 ordinary shares of £1 each	<u>61,000</u>	<u>61,000</u>

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 restated £
Profit for the financial year	236,149	90,202
Dividends	(24,400)	(24,400)
Shareholders' funds at 2 March 2001	211,749	65,802
	1,765,673	1,699,871
Shareholders' funds at 1 March 2002	1,977,422	1,765,673

Shareholders funds at 2 March 2000 were originally reported at £1,856,331, but have been reduced by £156,460 as a result of recognition of an unfunded pension liability as a prior year adjustment. The profit for the year to 1 March 2001 was originally reported as £45,972 (after dividends) but has been increased by £19,830 as a result of this prior year adjustment. The balance of £136,630 is reflected as a pension liability at 1 March 2001.

13 SHARE PREMIUM ACCOUNT AND RESERVES

	Share premium account £	Revaluation reserve £	Other reserves £
At 1 March 2002 and 2 March 2001	63,000	17,050	4,750

THE GLAMIS PROPERTY COMPANY LIMITED

CASH FLOW STATEMENT

For the year ended 1 March 2002

14 NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating profit	256,904	270,679
Depreciation	1,931	2,575
(Increase)/decrease in debtors	(105,143)	265,091
Increase/(decrease) in creditors	218,092	(383,203)
Movement in pension provision	(19,830)	(19,830)
Net cash inflow from operating activities	<u>351,954</u>	<u>135,312</u>

15 ANALYSIS OF CHANGES IN NET DEBT

	At 2 March 2001 £	Cash flow £	Other non-financing cash movements £	At 1 March 2002 £
Cash in hand and at bank	-	23,843	-	23,843
Bank overdraft	(12,236)	12,236	-	-
Debt	(1,938,996)	560,746	-	(1,378,250)
Finance leases	(4,750)	3,000	-	(1,750)
Amounts due to subsidiary undertakings	(3,005,226)	2,489,000	(506,892)	(1,023,118)
Bank deposits	<u>2,875,000</u>	<u>(1,875,000)</u>	<u>-</u>	<u>1,000,000</u>
	<u>(2,086,208)</u>	<u>1,213,825</u>	<u>(506,892)</u>	<u>(1,379,275)</u>

Bank deposits comprise of one deposit of £1,000,000 attracting interest at a rate of 3.8475% and maturing on 18 March 2002 (2001 - £2,875,000 attracting 5.375% maturing 5 March 2001).

16 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002 £	2001 £
Increase in cash in the year	36,079	24,451
Cash outflow from financing in the year	3,052,746	76,938
Cash inflow from (decrease)/increase in liquid resources	(1,875,000)	2,875,000
Non financing movements in group creditors	<u>(506,892)</u>	<u>(2,612,096)</u>
Movement in net debt in the year	<u>706,933</u>	<u>364,293</u>
Net debt at 2 March 2001	<u>(2,086,208)</u>	<u>(2,450,501)</u>
Net debt at 1 March 2002	<u>(1,379,275)</u>	<u>(2,086,208)</u>

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

17 CAPITAL COMMITMENTS

There were no capital commitments at 1 March 2002 or 1 March 2001.

18 CONTINGENT LIABILITIES

There were no contingent liabilities at 1 March 2002 or 1 March 2001.

19 GUARANTEES

In addition to the properties secured per note 8, the company has granted a standard security over one of its properties as security for a bank overdraft of Robert Cable & Company Limited which amounted to £1,281,068 at 1 March 2002. This standard security was released after the balance sheet date on 20 September 2002.

20 PENSIONS

The company has contracted to pay annual pensions of £26,104 for past directors services. The actuarial valuation of the unfunded future pension liability at 1 March 2002 was £116,800 (2001 - £136,630) for which provision has been made in the financial statements.

In addition, there is a possibility that the company may in future require to provide a further unfunded pension in respect of the current director, Mr R J W Smith. This director has employment terms such that the company is required to provide a pension for himself. A separate funded pension scheme exists which the company has contributed to in the past. However, the director believes that the informal intention of the pension arrangements are to provide for an annual pension the equivalent of a full final year's salary at the time of retirement. The funded pension scheme would provide for two thirds of this. The director therefore believes that the company may require to provide an unfunded pension for the remaining third. An actuarial valuation of this liability amounts to £170,100 at 20 February 2003 (no valuation having been obtained at March 2002). The employment contract however is not specific in terms of the level of pension due to this director and accordingly uncertainty exists as to whether any further unfunded pension liability will ultimately arise. Accordingly no provision has been included in the balance sheet in respect of this.

The company makes contributions to group personal pension plans operated by a subsidiary undertaking. The contributions are on behalf of those members of staff who have elected to join the scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension contributions payable by the company to the fund amounted to £4,437 (2001 - £3,760)

THE GLAMIS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 1 March 2002

21 RELATED PARTY TRANSACTIONS

During the year the company entered into the following transactions with related parties who are related by virtue of common control (all the companies below being subsidiary undertakings).

Management charges of £65,000 (2001 - £60,000) were recharged to Howlon Limited plus £10,789 (2001 - £8,907) of expenses and overheads. Cash transfers totalling £60,922 were made to Howlon Limited, who in turn remitted £40,000 (2001 - £Nil) to the company. The company was also charged £32,981 by Howlon Limited in respect of group relief (i.e. surrender of tax losses).

No expenses and overheads (2001 - £112,934) or management charges (2001 - £127,500) were recharged by Alex Smith (Stores) Limited.

Advances totalling £90,000 (2001 : £nil) were made to Scott's Travel Agency Limited. The company was charged £47,690 (2001 : £60,781) for use of group relief by Scott's Travel Agency Limited.

During the year three properties were leased to Robert Cable & Company Limited at no charge. Although no formal lease exists, the finance costs are incurred by Robert Cable & Company Limited amounting to £8,730 (2001 - £16,926). Expenses and overheads amounting to £170,020 (2001 : £nil) and management charges of £140,000 (2001 : £nil) were recharged by Robert Cable & Company Limited. Cash transfers of £2,489,000 (2001 - £405,000) were made by the company to Robert Cable & Company Limited. During the year the company purchased the share capital of Scotts Travel Agency Limited from Robert Cable & Company Limited for £86,000. This was subsequently written down to nil as a result of the closure of Scotts Travel Agency Limited. The company was charged £156,538 (2001 : £nil) for use of group relief by Robert Cable & Company Limited. In the previous year, the equivalent expenses and management charges mentioned above were recharged from Alex Smith (Stores) Limited.

The company received £nil (2001 : £2,925,103) from Shopacheck Financial Services Limited in respect of amounts due to Robert Cable & Company Limited.

The balances due by Howlon Limited, Cable Asset Management Limited and Alex Smith (Stores) Limited amounted to £284,681 (2001 - £219,183), £64,714 (2001 - £64,714) and £47,016 (2001 - £47,016) respectively and are included in note 7. The balance due to Robert Cable & Company Limited is £968,060 (2001 - £2,913,233) and included in note 8. Also included under "amounts due to subsidiary undertakings" in note 8 is £18,471 (2001 : £60,781) in relation to amounts due to Scotts Travel Agency Ltd and £32,981 (2001 - £31,212) due to Howlon Limited.