

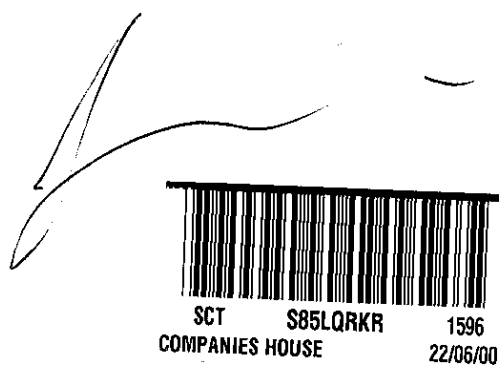
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MILMOR PROPERTIES LIMITED

(Company Number: 53921)

DIRECTORS' REPORT AND ACCOUNTS

31 MARCH 2000



Anderson Anderson & Brown
Chartered Accountants

MILMOR PROPERTIES LIMITED
DIRECTORS' REPORT

A²+B

Directors: B J Milne
A Milne

Secretary: A Milne

Registered office: 19 Station Road, Dyce, Aberdeen

The directors submit their report and the accounts of the company for the year ended 31 March 2000.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounts to £84,936 (1999 - £73,721), and is dealt with as shown in the profit and loss account. No dividends have been paid during the year.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS

The principal activity of the company during the year was property investment and letting.

No significant developments have taken place since the year end.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the company during the year were as noted above.

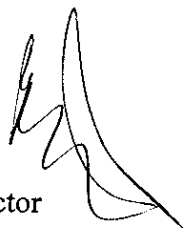
The directors' interests in the shares of the company during the year were as follows:

2000 & 1999
Ordinary shares

B J Milne	3,000
A Milne	-

By order of the board

Director



MILMOR PROPERTIES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether or not applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and,
- (d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts 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.

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MILMOR PROPERTIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000

	Note	2000 £	1999 £
TURNOVER		96,140	93,353
Operating costs	2	3,111	11,416
OPERATING PROFIT		93,029	81,937
Interest received	4	11,621	10,120
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		104,650	92,057
Taxation	5	19,714	18,336
RETAINED PROFIT FOR THE FINANCIAL YEAR		£ 84,936	£ 73,721

The company has made no gains or losses other than those reported above.

Movements on reserves are set out in Note 12.

MILMOR PROPERTIES LIMITED
BALANCE SHEET – 31 MARCH 2000

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	Note	2000 £	1999 £
FIXED ASSETS			
Tangible fixed assets	6	226,260	237,404
Investments	7	159,371	-
		<u>385,631</u>	<u>237,404</u>
CURRENT ASSETS			
Debtors	8	14,263	193,196
Cash at bank and in hand	9	103,504	1,505
		<u>117,767</u>	<u>194,701</u>
CREDITORS: amounts falling due within one year	10	<u>46,128</u>	<u>59,771</u>
NET CURRENT ASSETS		<u>71,639</u>	<u>134,930</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 457,270</u>	<u>£ 372,334</u>
CAPITAL AND RESERVES			
Called up share capital	11	6,000	6,000
Profit and loss account	12	451,270	366,334
SHAREHOLDERS' FUNDS	12	<u>£ 457,270</u>	<u>£ 372,334</u>

In the directors' opinion the company is entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31 March 2000. No members who are entitled to have requested an audit in terms of Section 249B(2) of the Companies Act 1985.

The directors are responsible for ensuring that the company keeps accounting records which comply with Section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each year in accordance with the requirements of Section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

Signed on behalf of the board of directors



Director – B J Milne

11/6/00

Date

1. ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) *Investment properties*

Depreciation is not provided on investment properties as the directors consider that this accounting policy is necessary for the accounts to give a true and fair view.

(c) *Depreciation*

Fixed assets are depreciated over their useful lives as follows:

Furniture and fittings	10% reducing balance
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Property and property improvements are stated at cost and have not been revalued. No depreciation is provided on investment property as the directors consider this accounting policy necessary for the accounts to show a true and fair view.

(d) *Deferred taxation*

Provision is made for deferred taxation using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

2. OPERATING COSTS

	2000 £	1999 £
Depreciation	324	360
Gain on sale of fixed asset	(7,336)	-
Other operating charges	10,123	11,056
	<u>£ 3,111</u>	<u>£ 11,416</u>

MILMOR PROPERTIES LIMITED
NOTES ON THE ACCOUNTS – 31 MARCH 2000

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A + B

3. STAFF COSTS AND NUMBERS

The directors were the only employees of the company during the year and they did not receive any remuneration.

4. INTEREST RECEIVED

	2000 £	1999 £
Bank interest	7,871	-
Loan interest	3,750	10,120
	<u>£ 11,621</u>	<u>£ 10,120</u>

5. TAXATION *charge for the year comprises:*

	2000	1999
Corporation tax	<u>£ 19,714</u>	<u>£ 18,336</u>

MILMOR PROPERTIES LIMITED
NOTES ON THE ACCOUNTS – 31 MARCH 2000

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6. TANGIBLE FIXED ASSETS

	Property improve- ments £	Investment property £	Furniture & fittings £	Total £
COST				
At 31 March 1999	57,484	176,680	20,434	254,598
Disposals	(2,656)	(8,164)	-	(10,820)
At 31 March 2000	<u>54,828</u>	<u>168,516</u>	<u>20,434</u>	<u>243,778</u>
DEPRECIATION				
At 31 March 1999	-	-	17,194	17,194
Charge for year	-	-	324	324
At 31 March 2000	<u>-</u>	<u>-</u>	<u>17,518</u>	<u>17,518</u>
Net book amounts at:				
31 March 2000	<u>£ 54,828</u>	<u>£ 168,516</u>	<u>£ 2,916</u>	<u>£ 226,260</u>
31 March 1999	<u>£ 57,484</u>	<u>£ 176,680</u>	<u>£ 3,240</u>	<u>£ 237,404</u>

Property is stated at cost and has not been revalued. No depreciation is provided on investment property as the directors consider that this accounting policy is necessary for the accounts to give a true and fair view.

7. INVESTMENTS

	Listed investments
Cost and at 31 March 2000	<u>£ 159,371</u>
Valuation:	
Listed investments – market value	<u>£ 176,015</u>
Taxation on potential capital gain if sold at valuation	<u>£ 3,180</u>

MILMOR PROPERTIES LIMITED
NOTES ON THE ACCOUNTS – 31 MARCH 2000

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8. DEBTORS

	2000 £	1999 £
Trade debtors	2,333	2,333
Prepayments	8,628	-
Other debtors	3,302	190,863
	<u>£ 14,263</u>	<u>£ 193,196</u>

9. SECURITY

Clydesdale Bank PLC hold a standard security over the property at 26 Merkland Road East.

10. CREDITORS: *amounts falling due within one year*

	2000 £	1999 £
Deferred income	4,642	5,245
Other creditors	3,115	2,190
Accruals	1,650	1,586
Corporation tax	19,714	18,336
Directors' loans	17,007	32,414
	<u>£ 46,128</u>	<u>£ 59,771</u>

11. CALLED UP SHARE CAPITAL

2000 & 1999

Authorised, allotted, called up and fully paid:
6,000 Ordinary shares of £1 each

£ 6,000

MILMOR PROPERTIES LIMITED
NOTES ON THE ACCOUNTS – 31 MARCH 2000

A² + B

**12. RECONCILIATION OF SHAREHOLDERS' FUNDS
AND MOVEMENTS ON RESERVES**

	Share capital £	Profit and loss account £	Total £
At 31 March 1998	6,000	292,613	298,613
Profit for year	-	73,721	73,721
At 31 March 1999	6,000	366,334	372,334
Profit for year	-	84,936	84,936
At 31 March 2000	<u>£ 6,000</u>	<u>£ 451,270</u>	<u>£ 457,270</u>

13. TRANSACTIONS INVOLVING DIRECTORS

During the year the directors of the company received income of £16,590 in respect of rents and premiums received from properties in which they have part ownership. Included within note 10 is a loan due to the directors of £17,007 for which there is no interest charged or fixed repayment terms.

14. RELATED PARTIES

Throughout the year the company was controlled by B J Milne and A Milne who were both directors during the year.

During the year the company entered into transactions with related parties as follows:

Related party	Transaction	£	Balance at year end £
Langstanes Chip Shop, a firm in which B J Milne is a partner	Rental income	14,000	2,333
	Loan	(9,600)	-
Spiders' Web, a firm in which B J and A Milne are partners	Loan including interest received of £3,750 for the year.	(177,961)	3,302