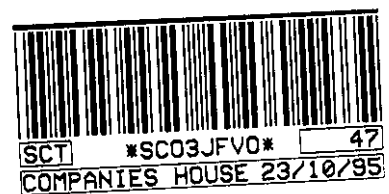


LIPSONTO LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 1994

Registered number: SCO71237

NELSON GILMOUR SMITH & CO..
CHARTERED ACCOUNTANTS
Glasgow

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LIPSONTO LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1994

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LIPSONTO LIMITED**REPORT OF THE AUDITORS**

**to the directors of Lipsonto Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985**

We have examined the abbreviated financial statements on pages 2 to 3 together with the financial statements of Lipsonto Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1994.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1994, and the abbreviated financial statements on pages 2 to 3 have been properly prepared in accordance with that Schedule.

Other information

On 11th October 1995 we reported, as auditors of Lipsonto Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1994, and our audit report was as follows:-

"We have audited the financial statements on pages 5 to 6 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

continued.....

LIPSONTO LIMITED**REPORT OF THE AUDITORS**

(continued)

**to the directors of Lipsonto Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985**

Basis of opinion

We conducted our audit in accordance with 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 error or other irregularity. 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 December 1994 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985."

Nelson Gilmour Smith & Co

Nelson Gilmour Smith & Co.,
Chartered Accountants and
Registered Auditors

Glasgow.
11th October 1995

LIPSONTO LIMITED
ABBREVIATED BALANCE SHEET
AT 31ST DECEMBER 1994

			1994	1993
	Note	£	£	£
CURRENT ASSETS				
Cash at bank and in hand		8	8	
Parent Company Loan	2	42,091	42,091	
		-----	-----	
		42,099	42,099	
Creditor: amounts falling due within one year		-	-	
		-----	-----	
NET CURRENT ASSETS			42,099	42,099
			-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES			42,099	42,099
			=====	=====
Capital and Reserves				
Called Up Share Capital	3		100	100
Capital Reserve			44,294	44,294
Profit and Loss Account			(2,295)	(2,295)
			-----	-----
			42,099	42,099
			=====	=====

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The abbreviated financial statements on pages 2 to 3 were approved by the board of directors on 11th October 1995.



.....Director

LIPSONTO LIMITED

3.

NOTES ON THE ACCOUNTS

YEAR ENDED 31ST DECEMBER 1994

1. ACCOUNTING POLICIES

Convention

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

2. PARENT COMPANY LOAN

The loan to the parent company is interest free with no fixed repayment date.

3. CALLED UP SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted and Fully Paid</u>	
	<u>1994</u>	<u>1993</u>	<u>1994</u>	<u>1993</u>
	£	£	£	£
100 Ordinary Shares of £1	100	100	100	100
	===	===	===	===

4. PARENT COMPANY

The company's ultimate parent company is Lanero Property Company Limited, which is incorporated in Scotland.