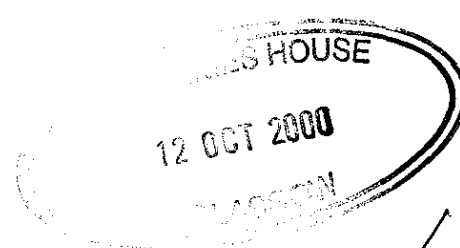


LIPSONTO LTD
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1999

Company Number: SC071237

NELSON GILMOUR SMITH & CO.
CHARTERED ACCOUNTANTS
GLASGOW



AUDITORS' REPORT TO LIPSONTO LTD

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 3 together with the financial statements of Lipsonto Ltd for the year ended 31st December 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 3 are properly prepared in accordance with those provisions.

Nelson Gilmour Smith & Co

Nelson Gilmour Smith & Co.
Chartered Accountants and Registered Auditors
53 Bothwell Street
Glasgow
G2 6TB
9th October 2000

LIPSONTO LTD

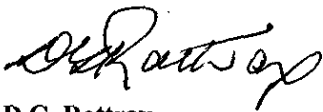
ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 1999

	Notes	£	1999 £	£	1998 £
Current assets					
Debtors		42,091		42,091	
Cash at bank and in hand		8		8	
Net current assets			42,099		42,099
Total assets less current liabilities			42,099		42,099
Capital and reserves					
Share capital	3		100		100
Other reserves - equity			44,295		44,295
Profit and loss account			(2,296)		(2,296)
Total equity shareholders' funds			42,099		42,099

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These abbreviated financial statements were approved by the board on 9th October 2000 and signed on its behalf.



Mr D.G. Rattray
Chairman

LIPSONTO LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

1 Accounting policies

Basis of accounting

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

The company has taken advantage of the exemption from preparing a cash flow statement conferred by the Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

2 Debtors

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

3 Share capital

Authorised

Equity shares

100 Ordinary shares of £1.00 each

1999
£

1998
£

100

100

100

100

Allotted

Equity shares

100 Allotted, called up and fully paid ordinary shares of £1.00 each

100

100

100

100

4 Ultimate parent undertaking

The Company's ultimate parent company is Lanero Property Company Limited.