

STEWART'S (SIGHTHILL) HOLDINGS LIMITED

ABBREVIATED FINANCIAL STATEMENTS
For YEAR ended
28 NOVEMBER 1997

Company Number: SC080442

[Handwritten signature]



STEWART'S (SIGHTHILL) HOLDINGS LIMITEDYEAR ENDED 28 NOVEMBER 1997STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 and
- . 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial 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.

REPORT OF THE AUDITOR TO THE MEMBERS OF
STEWART'S (SIGHTHILL) HOLDINGS LIMITED

I have examined the abbreviated accounts on pages 4 to 8 together with the full financial statements of Stewart's (Sighthill) Holdings Limited for the year ended 28 November 1997. The scope of my work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statements on page 5 and that the abbreviated financial statements have been properly prepared from the full financial statements.

In my opinion, the directors are 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 28 November 1997, and the abbreviated financial statements on pages 4 to 8 have been properly prepared in accordance with that schedule.

On 29 December 1997 I reported as auditor of Stewart's (Sighthill) Holdings Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 28 November 1997, and my audit report was as follows:

"I have audited the financial statements on pages 4 to 10 which have been prepared on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of opinion

I conducted my 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

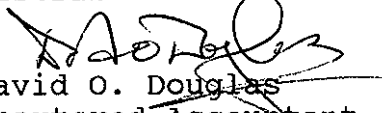
Opinion/

REPORT OF THE AUDITOR TO THE MEMBERS OF
STEWART'S (SIGHTHILL) HOLDINGS LIMITED

Opinion

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 November 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Dividends have been paid from gains arising on the sale of heritable properties. The Articles of Association of the company require such gains to be transferred to a non-distributable capital reserve. This restriction, recognised by Section 281 of the Companies Act 1985, would prevent the company from making a legal distribution from the aforementioned gains."


David O. Douglas
Chartered Accountant
Registered Auditor
15 Dalrymple Crescent
Edinburgh
EH9 2NX

29 December 1997

STEWART'S (SIGHTHILL) HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET AS AT 28 NOVEMBER 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
FIXED ASSETS			
Tangible assets	2	847,852	974,594
		- - - - -	- - - - -
INVESTMENTS	3	602,469	602,469
		- - - - -	- - - - -
CURRENT ASSETS			
Debtors		14,688	16,205
Short term deposits		413,908	-
Cash at bank		<u>64,659</u>	<u>215,780</u>
		493,255	231,985
		- - - - -	- - - - -
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR			
Trade creditors		4,904	3,990
Advance corporation tax		8,125	8,125
Corporation tax		55,225	44,504
Other taxation and social security costs		2,281	2,231
Loan from director		17,010	24,990
Dividend		-	-
Accruals		<u>10,126</u>	<u>11,081</u>
		<u>97,671</u>	<u>94,921</u>
NET CURRENT ASSETS		<u>395,584</u>	<u>137,064</u>
NET ASSETS		<u>1,845,905</u>	<u>1,714,127</u>
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	4	32,500	32,500
Revaluation reserve		809,869	925,732
Capital reserve		1,162,386	911,321
Revenue reserve		51,804	51,804
Profit and loss account		<u>(210,654)</u>	<u>(207,230)</u>
		1,845,905	1,714,127
		=====	=====
In/...			

STEWART'S (SIGHTHILL) HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET AS AT 28 NOVEMBER 1997
Continued

In preparing these abbreviated financial statements:

(a) We have relied upon the exemptions for individual financial statements under Sections 246 and 247 of the Companies Act 1995.

(b) We have done so on the grounds that the company is entitled to the benefits of these exemptions as a small company.

The abbreviated financial statements on pages 4 to 8 were approved by the Board on 29 December 1997.

G.I. NIVEN



Director

The Notes on pages 4 to 8 form part of these financial statements

STEWART'S (SIGHTHILL) HOLDINGS LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR YEAR ENDED 28 NOVEMBER 1997

1. ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The accounts are prepared on the historical cost basis as modified by the revaluation of Heritable Property.

(b) INCOME

Rent receivable is treated on an accruals basis.
Interest receivable is treated on an accruals basis.

Gains on sales of properties are shown as other operating income in the profit and loss account. The gains are shown based on original cost. An amount equal to the gains, less the corporation tax liability thereon is then transferred from the profit and loss account to capital reserve.

(c) TAXATION

The company provides for corporation tax at the rate for small companies as adjusted for the marginal rate due to the fact that it has associated companies for taxation purposes.

(d) DEPRECIATION

Depreciation is provided on all tangible fixed assets except for investment properties, which are revalued annually, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:-

Office equipment - 25% straight line.
Motor vehicles - 25% straight line.

(e) GROUP ACCOUNTS

The company's only subsidiary, Jaxtox Limited, is a dormant company. Group accounts are not prepared.

STEWART'S (SIGHTHILL) HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR YEAR ENDED 28 NOVEMBER 1997

2. TANGIBLE FIXED ASSETS

	<u>Heritable</u> <u>Properties</u> £	<u>Motor</u> <u>Vehicle</u> £	<u>Office</u> <u>Equipment</u> £	<u>Total</u> £
Cost or valuation				
At 28.11.96	959,200	20,045	15,223	994,468
Additions	-	-	-	-
Disposals	(118,800)	-	-	(118,800)
Revaluation	-	-	-	-
At 28.11.97	840,400	20,045	15,223	875,668
Depreciation				
At 28.11.96	-	10,045	9,829	19,874
Charge for year	-	5,000	2,942	7,942
Disposals for year	-	-	-	-
At 28.11.97	-	15,045	12,771	27,816
Net Book Value				
At 28.11.97	840,400	5,000	2,452	847,852
At 28.11.96	959,200	10,000	5,394	974,594

The heritable properties, which cost £27,359, were valued by the directors on 28 November 1997 at £840,400 on the basis that they are subject to tenants' rights. The potential tax liability if the properties were sold at the 28 November 1997 valuation would be £68,200.

	<u>1997</u> £	<u>1996</u> £
3. INVESTMENTS		
Investment in subsidiary company	2	2
Loans to associated companies	<u>602,467</u>	<u>602,467</u>
	602,469	602,469
	=====	=====

The subsidiary company, Jaxtox Limited was incorporated in Scotland on 8 January 1987. Stewart's (Sighthill) Holdings Limited holds all of the issued share capital, comprising two ordinary shares of £1. Jaxtox Limited is a dormant company, and made neither a profit nor a loss during the year ended 28 November 1997.

STEWART'S (SIGHTHILL) HOLDINGS LIMITEDNOTES TO THE ABBREVIATED FINANCIAL STATEMENTSFOR YEAR ENDED 28 NOVEMBER 1997Continued

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
4. SHARE CAPITAL		
<u>Authorised</u>		
100,000 shares of £1 each	100,000	100,000
	=====	=====
<u>Issued and fully paid</u>		
32,500 shares of £1 each	32,500	32,500
	=====	=====