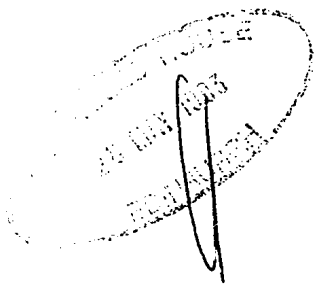
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A M GILLIES LIMITED

Report and Abbreviated Accounts

For the year ended 31 July 1992



SCOTT-MONCRIEFF
CHARTERED ACCOUNTANTS

A M GILLIES LIMITED

Report of the Auditors to the Directors

Under Paragraph 10 to Schedule 8 of the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the full accounts of A M Gillies Limited for the year ended 31 July 1992. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemption claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under sections 247 and 249 of the Companies Act 1985 to the exemption conferred by Part I of Schedule 8 to the Act in respect of the year ended 31 July 1992, and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that Schedule. On ..31 May..... 1993 we reported as auditors of A M Gillies Limited, to the members on the full financial accounts prepared under section 228 of the Companies Act 1985 for the year ended 31 July 1992, and our report was as follows:-

> "We have audited the accounts on pages 3 to 8 in accordance with Auditing Standards having regard to the following matter.
>
> At the balance sheet date the company had net liabilities of £8,410. It's continued existence is dependent upon future profitable trading and upon the continuing support of its bankers and the holding company Isertal Limited.
>
> Subject to the matter referred to above, in our opinion the accounts give a true and fair view of the state of the company's affairs at 31 July 1992, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Scott - Moncrieff C.A.

SCOTT-MONCRIEFF
Chartered Accountants
Registered Auditor
17 Melville Street
Edinburgh

31 May 1993

A M GILLIES LIMITED

Abbreviated Balance Sheet

As at 31 July 1992

	Notes	1992		1991	
		£	£	£	£
Fixed assets					
Tangible assets	3		31,865		23,049
Current assets					
Stocks		10,804		11,350	
Debtors		355,080		240,128	
Cash at bank and in hand		131		125	
		366,015		251,603	
Creditors : Amounts falling due within one year		(400,356)		(298,960)	
Net current liabilities			(34,341)		(47,357)
Total assets less current liabilities			(2,476)		(24,308)
Creditors : Amounts falling due after more than one year			(5,934)		(4,035)
			(8,410)		(28,343)
Capital and reserves					
Called up share capital	5		36,000		36,000
Profit and loss account			(44,410)		(64,343)
			(8,410)		(28,343)

In preparing these abbreviated accounts:

(a) We have relied upon the exemption for individual accounts under Part 1, Schedule 8 of the Companies Act 1985.

(b) We have done so on the grounds that the company is entitled to the benefit of this exemption as a small company under section 249 of the Companies Act 1985.

Date 31/5/93 ..... Director

W K Stein

The notes on pages 3 to 4 form part of these accounts

A M GILLIES LIMITED

Notes to the Abbreviated Accounts

For the year ended 31 July 1992

1. Accounting policies

Basis of accounting

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

Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off the cost or valuation, less estimated residual value of each asset evenly over its expected useful life as follows:-

Plant and machinery	10 years
Motor vehicles	4 years
Furniture and fittings	10 years
Office equipment	6 2/3 years

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value in the ordinary course of business. Cost of work-in-progress includes all production overheads, and the appropriate proportion of indirect overhead expenses.

Deferred taxation

Deferred taxation is provided on the liability method unless there is reasonable probability that such liability will not arise within three years of the end of the financial year. Advance corporation tax recoverable is deducted from the deferred taxation liability.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership the assets are treated as if they had been purchased outright. The amount capitalised is the cost of the asset to the lessor and this is depreciated over its useful economic life. The corresponding leasing commitments are shown as amounts payable to the lessor. Lease payments are split between capital and interest. The interest element is charged to the profit and loss account while the capital portion reduces the amounts payable to the lessor.

Cash Flow Statement

The company is defined as a small company and has taken advantage of the exemption under Financial Reporting Standard 1 not to prepare a Cash Flow Statement.

2. Operating expenses	1992 £	1991 £
Auditors' remuneration (including expenses)	4,200	4,000

3. Tangible assets

Cost	Plant & machinery £	Motor vehicles £	Furniture & fittings £	Office equipment £	Total £
At 1 August 1991	10,580	36,546	120	23,062	70,308
Additions	-	21,569	-	1,077	22,646
Disposals	-	(13,018)	-	-	(13,018)
At 31 July 1992	10,580	45,097	120	24,139	79,936
Depreciation					
At 1 August 1991	3,889	25,218	108	18,044	47,259
Provided for year	1,058	8,082	11	1,423	10,574
Eliminated on disposal	-	(9,762)	-	-	(9,762)
At 31 July 1992	4,947	23,538	119	19,467	48,071
Net book value					
At 31 July 1992	5,633	21,559	1	4,672	31,865
At 31 July 1991	6,691	11,328	12	5,018	23,049

4. Secured liabilities

The Bank of Scotland holds a letter of guarantee from A M Gillies and CA Gillies. The bank overdraft has also been guaranteed by Isertal Limited.

5. Called up share capital

	1992 £	1991 £
Authorised		
Ordinary £1 shares	5,000	5,000
Redeemable preference £1 shares	31,000	31,000
	36,000	36,000
Issued		
Ordinary £1 shares	5,000	5,000
Redeemable preference £1 shares	31,000	31,000
	36,000	36,000