

Charles Burrows & Co

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

INDIA PROPERTIES LIMITED FINANCIAL STATEMENTS

30 NOVEMBER 2003

COMPANY REGISTRATION NUMBER SCO80985



INDIA PROPERTIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2003

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 to 7
The following pages do not form part of the financial statements	
Accountants' report to the directors	9
Detailed profit and loss account	10
Notes to the detailed profit and loss account	11

INDIA PROPERTIES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	G W Rule A J Rule
Company secretary	Angela J Rule
Business address	7 Palmerston Place Edinburgh EH12 5AH
Registered office	7 Palmerston Place Edinburgh EH12 5AH
Accountants	Charles Burrows & Co Chartered Accountants 7 Palmerston Place Edinburgh EH12 5AH

INDIA PROPERTIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2003

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 November 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the furnished letting of tenement property.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 November 2003	At 1 December 2002
G W Rule	50	50
A J Rule	<u>50</u>	<u>50</u>

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
7 Palmerston Place
Edinburgh
EH12 5AH

Signed by order of the directors



ANGELA J RULE
Company Secretary

Approved by the directors on 22 September 2004

INDIA PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 NOVEMBER 2003**

	Note	2003 £	2002 £
TURNOVER		17,227	13,600
Administrative expenses		10,486	15,695
OPERATING PROFIT/(LOSS)	2	<u>6,741</u>	<u>(2,095)</u>
Interest payable		1,712	1,539
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>5,029</u>	<u>(3,634)</u>
Tax on profit/(loss) on ordinary activities		--	--
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>5,029</u>	<u>(3,634)</u>

The notes on pages 5 to 7 form part of these financial statements.

INDIA PROPERTIES LIMITED

BALANCE SHEET

30 NOVEMBER 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Tangible assets	3	56,015	57,964
CREDITORS: Amounts falling due within one year	4	15,305	18,933
TOTAL ASSETS LESS CURRENT LIABILITIES		40,710	39,031
CREDITORS: Amounts falling due after more than one year	5	13,468	16,818
		<u>27,242</u>	<u>22,213</u>
CAPITAL AND RESERVES			
Called-up equity share capital	7	100	100
Profit and loss account	8	27,142	22,113
SHAREHOLDERS' FUNDS		<u>27,242</u>	<u>22,213</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 22 September 2004 and are signed on their behalf by:

G W RULE



The notes on pages 5 to 7 form part of these financial statements.

INDIA PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings 15% reducing balance

Investment properties

The requirement of the Companies Act 1985 is to depreciate all properties but that requirement conflicts with the generally accepted accounting principle set out in SSAP19. The directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view.

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2003	2002
	£	£
Directors' emoluments	—	—
Depreciation of owned fixed assets	<u>1,949</u>	<u>2,293</u>

INDIA PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2003

3. TANGIBLE FIXED ASSETS

	Investment Properties £	Fixtures & Fittings £	Total £
COST			
At 1 December 2002 and 30 November 2003	44,973	24,158	69,131
DEPRECIATION			
At 1 December 2002	—	11,167	11,167
Charge for the year	—	1,949	1,949
At 30 November 2003	—	13,116	13,116
NET BOOK VALUE			
At 30 November 2003	44,973	11,042	56,015
At 30 November 2002	44,973	12,991	57,964

4. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	6,944	11,297
Other creditors:		
Directors current accounts	4,706	5,291
Accruals and deferred income	3,655	2,345
	15,305	18,933

5. CREDITORS: Amounts falling due after more than one year

	2003 £	2002 £
Bank loans and overdrafts	13,468	16,818

The Bank loans are secured by a Standard Security over one of the company's properties.

6. RELATED PARTY TRANSACTIONS

The company was under the control of Mr G W Rule throughout the current and previous year. Mr Rule is the managing director and majority shareholder with his wife.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

INDIA PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2003

7. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

8. PROFIT AND LOSS ACCOUNT

	2003	2002
	£	£
Balance brought forward	22,113	25,747
Retained profit/(accumulated loss) for the financial year	<u>5,029</u>	<u>(3,634)</u>
Balance carried forward	<u>27,142</u>	<u>22,113</u>