COMPANY REGISTRATION NUMBER 87218



Gilliland & Company

Chartered Accountants

XALOC (I-NO 403) LIMITED

FINANCIAL STATEMENTS

FOR

30 JUNE 2002



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COMPANIES HOUSE 07/01/03

XALOC (I-NO 403) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2002

The directors present their annual report together with the unaudited accounts of the company for the year ended 30 June 2002. The company is dormant and has not traded during the year.

THE DIRECTORS AND THEIR INTERESTS IN 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 June 2002	**At 1 July 2001 or later date of appointment**
Mrs J Robertson	**500**	**500**
Mrs B Grant	**500**	**500**

Mrs B Grant was appointed as a director on 24 November 2001.
Mr W Brisbane resigned as a director on 24 November 2001.

Registered office:
216 West George Street
Glasgow
G2 2PQ

Signed by order of the directors

B Grant

MRS B GRANT
Company Secretary

Approved by the directors on 18 December 2002

XALOC (I-NO 403) LIMITED

BALANCE SHEET

30 JUNE 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Investments	2	**3,000**	3,000
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,000**	3,000
CAPITAL AND RESERVES			
Called-up equity share capital	4	**3,000**	3,000
SHAREHOLDERS' FUNDS		**3,000**	3,000

Statements:

(a) For the year ended 30 June 2002 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

(b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

(c) The directors acknowledge their responsibilities for:

(i) ensuring the company keeps accounting records in accordance with section 221, and

(ii) preparing accounts 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 and loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

These financial statements were approved by the directors on the 18 December 2002 and are signed on their behalf by:

MRS B GRANT

B Grant

XALOC (I-NO 403) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2002

1. DORMANT STATUS

The company was dormant (within the meaning of section 249AA of the Companies Act 1985) throughout the year ended 30 June 2002. The company has not traded during the year or during the preceding financial year. During these periods, the company received no income and incurred no expenditure and therefore made neither profit nor loss.

2. INVESTMENTS

Property Investment

	£
COST:	
At 1 July 2001 and 30 June 2002	**3,000**
NET BOOK VALUE:	
At 30 June 2002	**3,000**
At 30 June 2001	3,000

The company purchased a property in Santa Ponsa, Majorca for £34,950 during the period ended 30th June 1985. The company then entered into Licence Agreements under which all rights of occupancy were assigned in perpetuity for £31,950. In the Directors' opinion the residual value of the property investment (being subject to the Licence Agreements) is £3,000. In arriving at their opinion the Directors have had regard to the possibility in the future of the company selling the property and thus having to repurchase the licences, if the licence holders should wish to sell, and to the terms under which they would expect such repurchase to take place.

3. RELATED PARTY TRANSACTIONS

The company was not under the ultimate control of any individual throughout the current and previous year.

4. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
3,000 Ordinary shares of £1 each	**3,000**	3,000

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	**3,000**	3,000