

Registration Number SCO98553

AMA (New Town) Ltd
Abbreviated Accounts
for the year ended 30 April 2002



AMA (New Town) Ltd

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AMA (New Town) Ltd
Directors' Report
for the year ended 30 April 2002

The directors present their report and the financial statements for the year ended 30 April 2002.

Principal Activity and Review of the Business

The principal activity of the company is that of property development and house building.

Following another progressive year, AMA (New Town) has achieved an increase of £304,078 in post tax profit up to £539,007 (2001:£234,929) on an increased turnover of £1,674,539 (2001: £4,231,345). The balance sheet now shows a net worth of £3,105,294 (2001: £2,656,287) as a result of profit delivered.

Business Review

Residential

We have continued our solid progress in providing superior luxury residential properties in Edinburgh. In the year a total of 36 properties were sold, from 3 main developments at an average selling price in excess of £240,000, two of the developments provided average selling prices in excess of £550,000. These factors have contributed to excellent trading results in the year. In the coming year the company is well placed to take advantage of continuing low finance costs and demand for our product, which should in turn increase margins and profit.

Looking to the future, our proposed developments at Silvermills and Cramond are on schedule for site starts early next year. Our existing developments at Ravelston Park and Succoth Avenue are due to complete this year.

Commercial

In terms of commercial property AMA (New Town) Ltd along with its subsidiary companies continued to make major progress. 'Evolution House' an £18M office development at the West Port, Edinburgh is due for completion by Dec 2002. This development will provide some 4259m² of high quality modern office accommodation.

For the future, we have approved development for 4,000m² of modern offices at Silvermills, Edinburgh and 6500m² of modern offices at Warriston Road, Edinburgh. The commencement of these developments will be fully dependent on the state of the economy and the office market.

This has been a year of substantial growth in all areas of the group's activities, not only leading to increased profits and a strengthened balance sheet for this year, but also setting the foundation for the coming years to be even more prolific. All colleagues, be it site/office personnel or partnering sub-contractors deserve our praise and thanks.

We consider the company's results and progress to be outstanding for the year and believe that the company now stands as the premier luxury residential and commercial property provider in Edinburgh.

Results And Dividends

The results for the year are set out on page 5.

The directors paid interim dividends amounting to £90,000 and they do not recommend payment of a final dividend.

AMA (New Town) Ltd

Directors' Report for the year ended 30 April 2002 (continued)

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

		Ordinary shares	
		2002	2001
A.B Afshar		25,000	25,000
M Afshar		25,000	25,000
A Afshar		-	-
M.T Afshar	(appointed 1 June 2001)	-	-
M.H Afshar	(appointed 1 June 2001)	-	-

Subsidiaries

At 30 April 2002 the company held the following interests in these companies:-

	Principal Activity	Proportion of Ordinary Shares Held
Majestic Buildings Ltd	Property investment	97.1%
AMA (Cramond) Ltd	Property development & construction	100%
AMA (West Port) Ltd	Property development	100%
Silvermills Car Park Co Ltd	Provision of car parking & garaging facilities – ceased trading 5/4/01	100%
New Silvermills Car Park Co Ltd	Provision of private car parking	100%
Majestic (Belford) Ltd (Held by Majestic Buildings Ltd)	Property development & construction	97.1%

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Donations

During the year the company made various charitable contributions totalling £4,680.

AMA (New Town) Ltd

**Directors' Report
for the year ended 30 April 2002 (continued)**

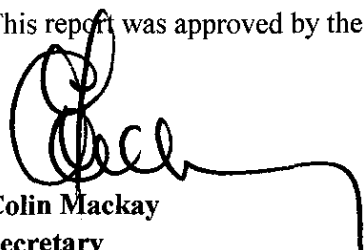
Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that McDonald Gordon & Co Ltd be reappointed as auditors of the company will be put to the Annual General Meeting.

The financial statements present information about the company as an individual undertaking and not about its group.

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts

This report was approved by the Board on **17** February 2003 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Colin Mackay', with a long horizontal flourish extending to the right.

**Colin Mackay
Secretary**

AMA (New Town) Ltd

**Auditors' Report to AMA (New Town) Ltd
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 8 to 17 together with the financial statements of AMA (New Town) Ltd for the year ended 30 April 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 17 are properly prepared in accordance with those provisions.



**McDonald Gordon & Co Ltd
Chartered Certified Accountants and
Registered Auditors**

**29 York Place
Edinburgh
EH1 3HP**

27 February 2003

AMA (New Town) Ltd

**Abbreviated Profit and Loss Account
for the year ended 30 April 2002**

		Continuing operations	
	Notes	2002 £	2001 £
Gross profit		3,390,649	2,872,520
Administrative expenses	7	(2,230,163)	(2,180,272)
Other operating income		69,626	94,332
Operating profit	3	<u>1,230,112</u>	<u>786,580</u>
Interest receivable and similar income	4	1,941	-
Interest payable and similar charges	5	<u>(447,886)</u>	<u>(482,230)</u>
Profit on ordinary activities before taxation		784,167	304,350
Tax on profit on ordinary activities	8	<u>(245,160)</u>	<u>(69,421)</u>
Profit on ordinary activities after taxation		539,007	234,929
Dividends	9	<u>(90,000)</u>	<u>(60,000)</u>
Retained profit for the year	18	<u><u>449,007</u></u>	<u><u>174,929</u></u>
Note of historical cost profits and losses			
Profit on ordinary activities before taxation		784,167	304,350
Realisation of property revaluation gains from previous years		-	375,000
Taxation on valuation surplus realised on sale of property			<u>(106,437)</u>
Historical cost profit on ordinary activities before taxation		<u>784,167</u>	<u>572,913</u>
Historic cost profit for the year retained after taxation and dividends		<u><u>449,007</u></u>	<u><u>443,492</u></u>

The notes on pages 8 to 17 form an integral part of these financial statements.

AMA (New Town) Ltd

**Statement of Total Recognised Gains and Losses
for the year ended 30 April 2002**

	2002 £	2001 £
Profit on ordinary activities after taxation	539,007	234,929
Taxation on valuation surplus realised on on sale of property	-	(106,437)
Total gains recognised since last financial statements	539,007	128,492

The notes on pages 8 to 17 form an integral part of these financial statements.

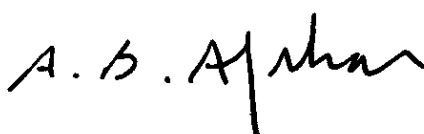
AMA (Newt Town) Ltd

**Abbreviated Balance Sheet
as at 30 April 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	10		1,063,269		1,074,461
Investments	11		1,284,223		625,031
			<u>2,347,492</u>		<u>1,699,492</u>
Current Assets					
Stocks	12	9,386,572		11,055,958	
Debtors	13	348,773		679,875	
Cash at bank and in hand		2,131		630	
		<u>9,737,476</u>		<u>11,736,463</u>	
Creditors: amounts falling due within one year	14	<u>(7,752,772)</u>		<u>(9,493,133)</u>	
Net Current Assets			<u>1,984,704</u>		<u>2,243,330</u>
Total Assets Less Current Liabilities			<u>4,332,196</u>		<u>3,942,822</u>
Creditors: amounts falling due after more than one year	15		(1,099,640)		(1,228,971)
Provisions for Liabilities and Charges	16		(127,262)		(57,564)
Net Assets			<u>3,105,294</u>		<u>2,656,287</u>
Capital and Reserves					
Called up share capital	17		50,000		50,000
Revaluation reserve	18		468,149		468,149
Profit and loss account	18		2,587,145		2,138,138
Equity Shareholders' Funds	19		<u>3,105,294</u>		<u>2,656,287</u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium sized companies were approved by the Board on 27 February 2003 and signed on its behalf by

A.B Afshar
Director



The notes on pages 8 to 17 form an integral part of these financial statements

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets .

1.2. Turnover

Turnover represents the amount derived from the provision of goods and services after deduction of trade discounts and value added tax, except in respect of developing activities where turnover represents the value of work carried out during the year including amounts not invoiced.

Profit recognition on development activities

Profit on individual contracts is taken only when their outcome can be foreseen with reasonable certainty, based on the lower of the percentage margin earned to date and that prudently forecast at completion, taking account of agreed claims. Full provision is made for all known or expected losses on individual developments, taking a prudent view of future claims income immediately such losses are foreseen. Profit for the year includes the benefit of claims settled on developments completed in prior years.

1.3. Tangible fixed assets and depreciation

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

Freehold land and buildings	- 0%
Plant and machinery	- 25% reducing balance
Fixtures, fittings and equipment	- 20% reducing balance
Motor vehicles	- 25% reducing balance

It is the Group's practice to maintain freehold properties with an expected remaining life of more than 50 years in a continued state of sound repair, such that their value is not diminished by the passage of time. Accordingly, the Directors consider that the useful economic lives of these assets are sufficiently long and their residual values, based on prices prevailing at the time of valuation, are sufficient high that their depreciation is insignificant. The cost of maintenance and repairs of the property is charged to the profit and loss account as incurred and the cost of significant improvements is capitalised.

Impairment

Any impairment arising on an income generating unit, other than an impairment which represents a consumption of economic benefits, is eliminated against any revaluation reserve in respect of that income generating unit with any excess being charged to the profit and loss account.

1.4. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5. Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

For housing work in progress, cost is established by assessing the stage completion for each residential unit and applying that proportion of direct costs. A proportion of the cost of site roads and drainage relative to the number of unsold house plots is also included

AMA (New Town) Ltd

Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002

..... continued

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

Deferred taxation is provided in full in respect of the taxation effect of all timing differences which are capable of reversal in the future, calculated at rates at which it is expected tax will arise.

1.8. Group accounts

The financial statements present information about the company as an individual undertaking and not about its group.

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

1.9. Maintenance provision

Provision is made for the maintenance work undertaken in respect of the two year period from the sale of each residential unit or from contract completion date. It is calculated on the basis of the anticipated average cost of maintenance over the two year period and is written off on a proportionate time basis.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	18,294	22,048
Loss on disposal of tangible fixed assets	-	361
Auditors' remuneration	5,750	5,500

4. Interest receivable and similar income

	2002	2001
	£	£
Bank interest	1,941	-

AMA (New Town) Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

..... continued

5. Interest payable and similar charges

	2002	2001
	£	£
On bank loans and overdrafts	437,796	471,730
Debenture interest	2,250	10,500
Other interest	7,840	-
	<u>447,886</u>	<u>482,230</u>

6. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

2002	2001
Number	Number
9	8
<u> </u>	<u> </u>

Employment costs

	2002	2001
	£	£
Wages and salaries	160,316	155,947
Social security costs	19,893	17,374
Other pension costs	510,000	485,100
	<u>690,209</u>	<u>658,421</u>

7. Pension costs

The company made discretionary contributions of £510,000 into an Overseas Employee Benefit Trust (2001 £485,100). The contributions paid are for the purposes of providing benefits for all employees of the company. This is an exceptional item and is contained within Administration Expenses in the profit and loss account.

AMA (New Town) Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

..... continued

8. Taxation	2002	2001
	£	£
(a) Analysis of charge in year		
UK current year taxation		
UK Corporation Tax at 30% (2001 - 30%)	227,841	69,209
Adjustments in respect of previous periods	9,481	212
Total current tax (note 8(b))	<u>237,322</u>	<u>69,421</u>
Deferred tax		
Origination and reversal of timing differences	7,838	-
	<u>245,160</u>	<u>69,421</u>
(b) Factors affecting tax charge for year		
	2002	2001
	£	£
Profit on ordinary activities before tax	<u>784,167</u>	<u>304,350</u>
Profit on ordinary activities multiplied by rate of corporation tax in the UK of 30% (2001 – 30%)	235,250	91,305
Effects of:-		
Expenses not deductible for tax purposes	1,121	3,923
Capital allowances for period in excess of depreciation	(5,582)	(10,439)
Adjustments to tax in respect of previous years	9,481	212
Group relief	(2,948)	(15,580)
Current tax charge for period (Note 8(a))	<u>237,322</u>	<u>69,421</u>
9. Dividends	2002	2001
	£	£
Dividends on equity shares:		
Ordinary shares paid	<u>90,000</u>	<u>60,000</u>

AMA (New Town) Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

..... continued

10. Tangible fixed assets	Land and buildings freehold	Plant and machinery	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£	£
Cost/revaluation					
At 1 May 2001	1,000,000	43,430	91,790	47,528	1,182,748
Additions	-	7,102	-	-	7,102
At 30 April 2002	<u>1,000,000</u>	<u>50,532</u>	<u>91,790</u>	<u>47,528</u>	<u>1,189,850</u>
Depreciation					
At 1 May 2001	-	24,377	58,510	25,400	108,287
Charge for the year	-	6,106	6,656	5,532	18,294
At 30 April 2002	<u>-</u>	<u>30,483</u>	<u>65,166</u>	<u>30,932</u>	<u>126,581</u>
Net book values					
At 30 April 2002	<u>1,000,000</u>	<u>20,049</u>	<u>26,624</u>	<u>16,596</u>	<u>1,063,269</u>
At 30 April 2001	<u>1,000,000</u>	<u>19,053</u>	<u>33,280</u>	<u>22,128</u>	<u>1,074,461</u>
					Office Buildings £
Cost					<u>531,851</u>

Office buildings were revalued on an open market basis in February 2002 by Messrs Dixon Heaney, Chartered Surveyors at £1,000,000.

11. Fixed Asset Investments	Subsidiary Undertakings Shares	Subsidiary Undertakings Loans	Total
	£	£	£
Cost			
At 1 May 2001	489,691	135,340	625,031
Additions/Redefined – loan originally debtors within 1 year	-	659,192	659,192
At 30 April 2002	<u>489,691</u>	<u>794,532</u>	<u>1,284,223</u>
Net book values			
At 30 April 2002	<u>489,691</u>	<u>794,532</u>	<u>1,284,223</u>
At 30 April 2001	<u>489,691</u>	<u>135,340</u>	<u>625,031</u>

Loans to subsidiary undertakings have no set repayment terms

AMA (New Town) Ltd

Notes to the Financial Statements for the year ended 30 April 2002

..... continued

11.2. Subsidiaries

	Accounting Period Y/e	% Owned	Profit/ (loss) after tax £	Aggregate value of capital & reserves £	Profit/ (loss) after tax £	Aggregate value of capital & reserves £
Majestic Buildings Ltd (SC136884)	30/0402	97.1	(27,009)	2,304,885	95,608	2,331,894
AMA (Cramond) Ltd (SC202634)	30/04/02	100	-	1	-	1
AMA (West Port) Ltd (SC205023)	30/04/02	100	(9,830)	(10,529)	(700)	(699)
Silvermills Car Park Co Ltd (SC044727)	31/07/01	100	(89,687)	792	(20,160)	90,479
New Silvermills Car Park Co Ltd (SC20212)	31/07/01	100	2,469	2,471	-	2
Majestic (Belford) Ltd (acquired 13/9/02) (SC223172)	8 mths to 30/04/02	97.1	2,790	2,791	-	-

Majestic (Belford) Ltd is a wholly owned subsidiary of Majestic Buildings Ltd.

12. Stocks

	2002 £	2001 £
Land held for development	3,578,285	811,923
Work in progress	3,287,961	815,112
Completed developments and houses for sale	2,428,931	6,428,923
Stock	91,395	-
	<u>9,386,572</u>	<u>11,055,958</u>

13. Debtors

	2002 £	2001 £
Trade debtors	-	2,567
Amounts owed by group undertakings	-	649,238
Amount owed by connected companies	73,637	-
Other debtors	233,775	28,070
Prepayments and accrued income	41,361	-
	<u>348,773</u>	<u>679,875</u>

AMA (New Town) Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

..... continued

14. Creditors: amounts falling due within one year	2002 £	2001 £
Bank overdraft (secured)	5,941,124	7,749,885
Bank loan (secured)	71,517	71,517
Trade creditors	20,589	206,081
Amounts owed to group undertaking	4,831	-
Corporation tax	227,841	177,746
Other taxes and social security costs	8,754	39,134
Directors' accounts	477,098	57,098
Accruals and deferred income	1,001,018	1,191,672
	<u>7,752,772</u>	<u>9,493,133</u>
15. Creditors: amounts falling due after more than one year	2002 £	2001 £
Debenture loans (secured)	882,205	882,205
Bank loan (secured)	217,435	346,766
	<u>1,099,640</u>	<u>1,228,971</u>
Loans		
Repayable in one year or less, or on demand (Note 14)	71,517	71,517
Repayable between one and two years	77,069	77,069
Repayable between two and five years	140,366	158,988
Repayable in five years or more	-	110,709
	<u>288,952</u>	<u>419,128</u>

During the year ended 30 April 2001 the company acquired the total issued share capital of Silvermills Car Park Co Ltd and as part of the overall consideration 73 convertible debentures were issued for £12,085 each, giving each debenture holder either the right to one share in New Silvermills Car Park Co Ltd (note 11.6) or the right to occupy one car parking space within the completed Silvermills Car Park site.

The effective date of redemption will be the date of issue to the debenture holder of a share in New Silvermills Car Park Co Ltd or the date of issue to the debenture holder of a car park certificate entitling beneficial ownership to one car parking space within one month of the completion of the Silvermills development site.

Site development is not intended to conclude before 2003.

The debentures issued under this agreement have no cash value upon redemption.

**Creditors other than finance lease and
hire purchase contracts/-**

AMA (New Town) Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

..... continued

15. Creditors: amounts falling due after more than one year (continued)	2002 £	2001 £
Creditors other than finance lease and hire purchase contracts		
Amounts falling due after more than 5 years	-	110,709
Secured creditors		
Bank overdraft (secured)	6,191,124	7,749,885
Bank loans (secured)	288,952	418,284
Debenture loans (secured)	882,205	882,205
	<u>7,362,281</u>	<u>9,050,374</u>

Adam & Co plc hold standard securities over all properties of the company and a floating charge over all assets of the company for all sums due and in respect of debentures issued, Adam & Co have underwritten all sums due on debentures within the share purchase agreement of Silvermills Car Park Co Ltd.

Adam & Co plc also hold an inter-company cross guarantee between AMA (New Town) Ltd and AMA Construction (Edinburgh) Ltd.

An unlimited joint and several guarantee has been given by M Afshar and A.B Afshar, directors for the liabilities of AMA (New Town) Ltd.

16 Provisions for liabilities and charges

	Deferred Taxation (Note 1.7) £	Maintenance Provisions (Note 1.10) £	Total £
Balance at 1 May 2001	-	57,564	57,564
Profit and loss account charge	<u>7,838</u>	<u>61,860</u>	<u>69,698</u>
Balance at 30 April 2002	<u>7,838</u>	<u>119,424</u>	<u>127,262</u>

Deferred taxation

	Potential Liability £	2002 Provision Made £	Potential Liability £	2001 Provision Made £
Corporation tax deferred by:				
Capital allowances in excess of depreciation	<u>7,838</u>	<u>7,838</u>	<u>13,419</u>	<u>-</u>

Deferred taxation is based on a corporation tax rate of 30%.

AMA (New Town) Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 30 April 2002**

..... continued

17. Share capital

	2002	2001
	£	£
Authorised equity		
50,000 Ordinary shares of £1 each	50,000	50,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid equity		
50,000 Ordinary shares of £1 each	50,000	50,000
	<u> </u>	<u> </u>

18. Equity Reserves

	Revaluation reserve	Profit & Loss account	Total
	£	£	£
At 1 May 2001	468,149	2,138,138	2,606,287
Retained profit for the year	-	449,007	449,007
	<u> </u>	<u> </u>	<u> </u>
At 30 April 2002	468,149	2,587,145	3,055,294
	<u> </u>	<u> </u>	<u> </u>

19. Reconciliation of movements in shareholders' funds

	2002	2001
	£	£
Profit for the year	539,007	128,492
Dividends	(90,000)	(60,000)
	<u> </u>	<u> </u>
	449,007	68,492
Opening shareholders' funds	2,656,287	2,587,795
	<u> </u>	<u> </u>
	3,105,294	2,656,287
	<u> </u>	<u> </u>

AMA (New Town) Ltd

Notes to the Abbreviated Financial Statements for the year ended 30 April 2002

..... continued

20. Directors interests and related party transactions

Included in other debtors is an amount of £28,070 due by AMA Building Design & Development (2001 £28,070).

Payments of £366,155 were also made to AMA Building Design & Development during the year under normal trading terms. These are included within professional fees (2001 £332,000).

The directors of AMA (New Town) Ltd, AB Afshar and M Afshar are partners of AMA Building Design & Development.

Included in creditors are amounts of £250,278 due to AMA Construction (Edinburgh) Ltd (2001 £1,014,955) for construction work not yet paid for. Amounts of £2,969,454 were also invoiced to AMA (New Town) Ltd from AMA Construction (Edinburgh) Ltd for construction work carried out on property held in stock (2001 £1,952,103). The directors of AMA (New Town) Ltd, AB Afshar, M Afshar, MT Afshar and MH Afshar are also directors of AMA Construction (Edinburgh) Ltd.

Management fees and other service charges of £119,534 were invoiced to AMA Construction (Edinburgh) Ltd under normal trading terms (2001 - £Nil).

The company is engaged in building work on behalf of M Afshar, director. This transaction was agreed at a board meeting of the company. Included within work in progress at 30 April 2002 were costs relating to this development of £121,757. This shall be invoiced to the director in due course under normal trading terms.

As stated in note 14 to the accounts, there was a directors loan of £477,098 due to M Afshar, which has no set repayment terms.

21. Contingent liabilities

AMA (New Town) Ltd secures all overdraft bank borrowings of AMA Construction (Edinburgh) Ltd. Adam & Co plc also hold an inter-company cross guarantee between AMA (New Town) Ltd and AMA Construction (Edinburgh) Ltd.

AMA (New Town) Ltd secures all overdraft bank borrowings of AMA Construction (Edinburgh) Ltd, a related company. (See note 22). At the balance sheet date the overdraft of AMA Construction (Edinburgh) Ltd was £662,522.