WATSON NEAVE HOLDINGS
COMPANY NO SC102017

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000



WHITEHOUSE & McFADDEN
Chartered Accountants
EDINBURGH

WATSON NEAVE *HOLDINGS*

DIRECTORS AND COMPANY INFORMATION

DIRECTOR	F G C Neave
SECRETARY	P M Nicoll
REGISTERED OFFICE	29a Stafford Street Edinburgh EH3 7BJ
REGISTERED NUMBER	SC102017
ACCOUNTANTS	Messrs Whitehouse & McFadden Chartered Accountants 29a Stafford Street Edinburgh EH3 7BJ

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2000

The director presents his report with the financial statements of the company for the year ended 31 March 2000.

PRINCIPAL ACTIVITIES

The company commenced trading this year, purchasing and investment in a listed company.

DIRECTOR AND HIS INTERESTS

The director in office in the year and his beneficial interest in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows –

	Number of Shares	
	2000	1999
F G C Neave	-	-

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the Board on 9 January 2001 and signed on its behalf.

P M NICOLL
Secretary

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2000 set out on pages 3 to 5, and you consider that the company is exempt from audit and a report under Section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

WHITEHOUSE & McFADDEN
Chartered Accountants
29a Stafford Street
Edinburgh
EH3 7BJ

9 January 2001

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000 £	1999 £
GROSS PROFIT		-	-
ADMINISTRATIVE EXPENSES		15	15
OPERATING (LOSS)		(15)	(15)
AMOUNTS WRITTEN OFF INVESTMENTS		(1,001)	-
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,016)	(15)
TAX ON LOSS ON ORDINARY ACTIVITIES		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(1,016)	(15)

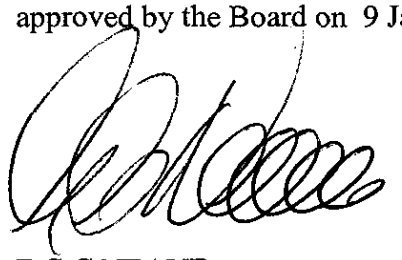
The notes on page 5 to 6 form part of these accounts.

BALANCE SHEET
AS AT 31 MARCH 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Investments	3	5,001	1,002
CREDITORS (amounts falling due within one year)	4	(14,321)	(9,306)
TOTAL ASSETS LESS CURRENT LIABILITIES		(9,320)	(8,304)
CAPITAL AND RESERVES			
Called Up Share Capital	5	100	100
Share Premium Account	6	256,150	256,150
Profit and Loss Account	7	(265,570)	(264,554)
SHAREHOLDERS FUNDS		(9,320)	(8,304)

The director has taken advantage of the exemption conferred by Section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under Section 249B(2) of the Companies Act 1985. The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2000 and of its profit or loss for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000) were approved by the Board on 9 January 2001 and signed on its behalf.



F G C NEAVE
Director

The notes on page 5 to 6 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

1 STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Consolidation
The company forms part of a small group. The ultimate parent company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Investments
Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

2 TAX ON LOSS ON ORDINARY ACTIVITIES

There is no liability to corporation tax in the year.

3 INVESTMENTS

	1 April 1999 £	Additions £	31 March 2000 £
COST OR VALUATION			
Listed Investments	1,002	5,000	6,002
	1 April 1999	Written off in year	31 March 2000
AMOUNTS WRITTEN OFF			
Listed Investments	-	1,001	1,001
NET BOOK VALUE	1,002		5,001

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

4 CREDITORS (amounts due within one year)

	2000 £	1999 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	6,183	1,168
Director's Loan	8,138	8,138
	14,321	9,306

The director's loan is interest free with no fixed repayment terms.

5 SHARE CAPITAL

Authorised -		
Equity Interests -		
100 Ordinary £1 Shares	100	100
Allotted, Called Up and Fully Paid -		
Equity Interests -		
100 Ordinary £1 Shares	100	100

6 SHARE PREMIUM ACCOUNT

Equity Interests -		
Balance at beginning of year	256,150	256,160
Movements during the year	-	-
Balance at year end	256,150	256,150

7 PROFIT AND LOSS ACCOUNT

Accumulated Loss as at 1 April 1999	(264,554)	(264,539)
Loss for the year	(1,016)	(15)
Accumulated loss as at 31 March 2000	(265,570)	(264,554)

8 ULTIMATE HOLDING COMPANY

Ellant Limited, company number 1996306, registered in England, owns a 100% interest in the company.