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DIRECTORS REPORT FOR YEAR TO 31ST JULY 2004

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The directors submit their report and accounts for the year.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 2. The directors do not propose the payment of a dividend.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Joint Venture with Symington Mackell is progressing.

The five properties are doing well.

The properties and mortgages are still shared 50/50, Realling receiving interest on the deposits and Symington Mackell receiving commissions on the lettings. The Joint Venture still accounts for all costs and will, in due course, distribute the balance equally to the two companies.

DIRECTORS

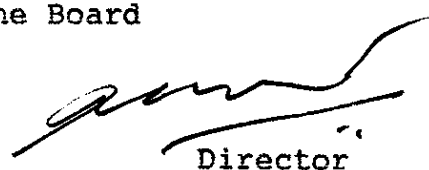
The directors at 31st July and their beneficial interest in the share capital of the company were as follows :-

Mrs A.C.Weir	1	£1 Ordinary Share
Mr I.S.Weir	1	£1 Ordinary Share

CLOSE COMPANY

The close company provisions of the Income and Corporation Taxes Act 1988 apply to the company.

By order of the Board


Director

Dated : *3rd May 2005*



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PROFIT & LOSS ACCOUNT, YEAR TO 31ST JULY 2004

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	2004	2003
	£	£
	-----	-----
INCOME FROM INVESTMENTS	0	0
OTHER INCOME AND INTERESTS	2,309	2,335
	-----	-----
GROSS REVENUE	2,309	2,335
DEPRECIATION Note 2.	0	0
ADMINISTRATIVE EXPENSES	2,312	2,300
	-----	-----
OPERATING PROFIT Note 8.	(3)	35
INTEREST PAYABLE Note 9.	0	0
	-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(3)	35
TAXATION Note 10.	0	0
	-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	(3)	35
DIVIDEND ON ORDINARY SHARES Note 11.	0	0
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RETAINED PROFIT FOR THE YEAR	(3)	35
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There were no recognised gains or losses for the year other than those included in the Revenue account.

BALANCE SHEET AS AT 31ST JULY 2004

=====		2004	2003
		£	£
FIXED ASSETS			
TANGIBLE ASSETS	Note 2.	100,007	100,007
		-----	-----
		100,007	100,007
		-----	-----
DEBTORS	Note 3.	19,803	19,226
BANK ACCOUNT		1,410	0
		-----	-----
		21,213	19,226
		-----	-----
BANK LOAN	Note 4.	80,100	80,100
CREDITORS	Note 5.	41,369	39,379
		-----	-----
		121,469	119,479
		-----	-----
NET CURRENT ASSETS		(100,256)	(100,253)
		-----	-----
NET ASSETS		(249)	(246)
		=====	=====
CAPITAL & RESERVES			
SHARE CAPITAL	Note 6.	2	2
REVENUE RESERVES	Note 7.	(251)	(248)
		-----	-----
SHAREHOLDERS' FUNDS		(249)	(246)
		=====	=====

For the year ended 31st July 2004 the company was entitled to exemption under section 249A(1) of the Companies Act 1985.

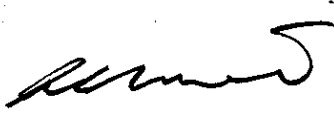
No notice from members requiring an audit has been deposited under section 249B(2).

The directors acknowledge their responsibility for :-

Ensuring the company keeps accounting records which comply with section 221; and

Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The notes on pages 4, 5 and 6 form an integral part of the accounts and Balance Sheet.


Director

Dated : 3rd May '05

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NOTES TO THE ACCOUNTS - Year to JULY 2004

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Note 1. ACCOUNTING POLICIES - Basis of preparation of accounts
 The accounts are prepared under the historical cost convention and are in accordance with applicable accounting standards. They include the results of the company's operations described in the Directors' Report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1. from the requirement to produce a cash flow statement on the grounds that it is a small company.

Depreciation is provided on all tangible fixed assets on a straight line basis, as follows :-

Heritable Properties	0.00 % - not considered necessary
Furniture	5.00 %

There are no Stocks

No provision for deferred taxation has been made since, in the opinion of the directors, no liability is likely to arise in the foreseeable future.

Directors' Fees are as follows :-

Mrs A.C.Weir	£ 1,800	
Mr I.S.Weir	300	£ 2,100
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The directors of the company do not receive any other remuneration.

[illegible]

INVESTMENTS

Note 3.	DEBTORS	Sundry Debtors	19,803

			19,803

Note 4.	BANK LOANS	Mortgages taken on properties	80,100

Note 5.	CREDITORS		
		Interest-free Loan from Shareholders	38,452
		Sundry Creditors	2,918
		Accruals	0

			41,369

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NOTES TO THE ACCOUNTS - Year to JULY 2004

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Note 6. SHARE CAPITAL

	Authorised		Issued & Fully Paid	
	2004	2003	2004	2003
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100 £1 Ordinary Shares	100	100	2	2
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Note 7. RESERVES

Profit & Loss Account

At 31 July 2003 (248)

Retained Profit for the year (3)

At 31 July 2004 (251)

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Note 8. OPERATING LOSS

This is stated after charging :-

Directors' emoluments	Note 1.	2,100
Tangible Assets depreciation	Note 2.	0
Auditors' remuneration		0

		2,100

Note 9. INTEREST PAYABLE

No interest is payable by the company

Note 10. TAXATION

In view of the loss for the year, no provision is deemed necessary either for corporation tax or for deferred taxation.

Note 11. DIVIDEND

No dividend has been declared in view of the result for the year.