

PFM PROPERTY LIMITED

Registrar.
SC190849

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Report together with the Audited Accounts of the Company for the period ended 30th April 2001.

Principal Activities and Business Review

The Company carries on the business of property letting.

Directors

The Directors who served during the period ended 30th April 2001 together with their interests in the Ordinary Shares of the Company were as follows:-

2001

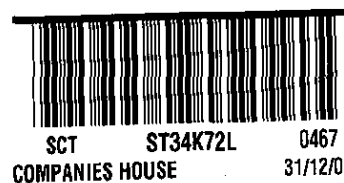
Douglas Morrison
Grace Morrison

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REPORT OF THE DIRECTORS - continued

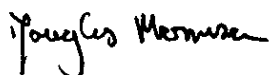
Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs for the Company and of the profit or loss of the Company for that period. In preparing those financial statements the Directors are required to:-

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- * 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 which 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.

On behalf of the Board



Douglas Morrison
Director

16 LODGE PARK
KILMALCOLM
RENFREWSHIRE

30th November 2001

ACCOUNTANTS' REPORT TO THE MEMBERS OF

PFM PROPERTY LIMITED

As described on page 2, the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit in respect of the period ended 30th April 2001.

In accordance with their instructions and in order to assist the directors to fulfil their responsibilities, we have prepared the financial statements on pages 4 to 10 from the accounting records and from information and explanations supplied to us.

As we have not performed an audit we do not provide any assurance that the financial statements show a true and fair view, nor that they have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Companies Act 1985, which remains the sole responsibility of the directors.

Wylie & Bisset

WYLIE & BISSET
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
80 ARGYLL STREET
DUNOON
ARGYLL

30th November 2001

PROFIT AND LOSS ACCOUNT
PERIOD ENDED 30TH APRIL 2001

		2001	2000
	Note		
TURNOVER		12,000	2,000
COST OF SALES		-	(102)
GROSS PROFIT		12,000	1,898
Administrative Expenses		(5,160)	(3,467)
Interest Payable and Similar Charges	2	(4,879)	(4,856)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		1,961	(6,425)
RETAINED LOSS BROUGHT FORWARD		(6,425)	-
RETAINED LOSS CARRIED FORWARD		£ (4,464)	£ (6,425)
		=====	=====

The accompanying notes are an integral part of these
financial statements

BALANCE SHEET AS AT
30TH APRIL 2001

		<u>2001</u>	<u>2000</u>
	Note		
FIXED ASSETS			
Tangible Assets	5	131,662	127,478
CREDITORS: Amounts falling due within one year	6	(136,124)	(133,901)
NET CURRENT LIABILITIES		<u>(136,124)</u>	<u>(133,901)</u>
		£ <u>(4,462)</u> =====	£ <u>(6,423)</u> =====
CAPITAL AND RESERVES			
Called-up Share Capital	7	2	2
Profit and Loss Account		(4,464)	(6,425)
		£ <u>(4,462)</u> =====	£ <u>(6,423)</u> =====

The Directors:

- confirm that for the Period Ended 30th April 2001, the Company was entitled to the exemption under subsection (1) of section 249A;
- confirm that no notice requiring an audit had been deposited under subsection (2) of S249B in relation to the accounts for the financial year.

PFM PROPERTY LIMITED

BALANCE SHEET (continued) AS AT

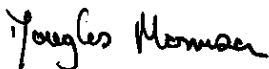
30TH APRIL 2001

The Directors also:

3. acknowledge their responsibility for:

- a) ensuring that the company keeps accounting records which comply with section 221; and
- b) 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 surplus or deficit 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.

Signed on behalf of the Board:-



Douglas Morrison
Director

30th November 2001

The accompanying notes are an integral part of these
financial statements

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30TH APRIL 2001

1. Accounting Policies

The financial statements have been prepared under the historical cost convention.

The principal accounting policies have remained unchanged and are set out below:-

Turnover

Turnover represents the total amount receivable by the Company in the ordinary course of business for goods supplied and services provided excluding value added tax.

Depreciation

Depreciation is calculated to write off the book value of each tangible fixed asset over its expected useful life by equal annual instalments at the following rates:-

Heritable Property	2%
Fixtures & Fittings	20%

Deferred Taxation

Deferred taxation is the taxation attributable to timing differences between the results computed for taxation purposes and the results as stated in the financial statements.

Provision is made for deferred taxation on the liability method, unless there is a reasonable probability that this potential tax liability will not be payable in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30TH APRIL 2001

2. Interest Payable and Similar Charges

	2001	2000
Bank Interest	4,879	4,856
	£ 4,879	£ 4,856
	=====	=====

3. Profit/(loss) on Ordinary Activities before Taxation

Profit/(loss) on ordinary activities before taxation is stated after charging:-

	2001	2000
Depreciation	4,713	2,934
	=====	=====

4. Staff Costs

There were no staff costs during the period under review.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30TH APRIL 2001

5. Tangible Assets

	Heritable Property	Fixtures and Fittings	Total
	£	£	£
<u>Cost</u>			
At 30th April 2000	128,603	1,809	130,412
Additions	-	8,897	8,897
Disposals	-	-	-
At 30th April 2001	<u>128,603</u>	<u>10,706</u>	<u>139,309</u>
<u>Depreciation</u>			
At 30th April 2000	2,572	362	2,934
Charge	2,572	2,141	4,713
Disposals	-	-	-
At 30th April 2001	<u>5,144</u>	<u>2,503</u>	<u>7,647</u>
<u>Net Book Values</u>			
At 30th April 2000	126,031	1,447	127,478
At 30th April 2001	<u>123,459</u>	<u>8,203</u>	<u>131,662</u>

PFM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30TH APRIL 2001

6. Creditors

Amounts falling due within one year:-

	2001	2000
Bank Loans and Overdrafts	63,699	61,593
Trade Creditors	-	705
Other Creditors	72,425	71,603
	£ 136,124	£ 133,901
	=====	=====

7. Called-up Share Capital

	2001	2000
	£	£
Authorised:-		
2 Ordinary Shares of £1 each	2	2
	=====	=====
Issued and fully paid:-		
2 Ordinary Shares of £1 each	2	2
	=====	=====