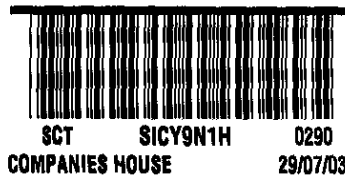


Company Registration No.
SC200024

Gruinard Residential Limited

Report and Financial statements

30 September 2002



GRUINARD RESIDENTIAL LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

L D Crerar
D I Hunter

SECRETARY

HMS Secretaries Limited
The Ca'd'oro
45 Gordon Street
Glasgow
G1 3PE

REGISTERED OFFICE

The Ca'd'oro
45 Gordon Street
Glasgow
G1 3PE

Directors Report

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

Principal Activity

The principal activity of the company is the ownership and renting of residential properties.

Profit and Loss, Dividends and Appropriations

The results for the year are shown on the profit and loss account on page 3.

The loss for the year has been transferred to reserves.

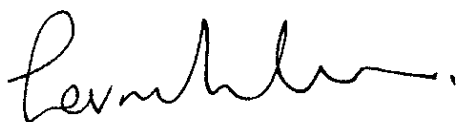
Directors

The directors of the company at the year end and their interests in the shares of the company at 30 September 2002 as recorded in the register of director's interests were as follows:

	Ordinary shares of £1 each 30 September 2002
L D Crerar	1
D I Hunter	1

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors L D Crerar (Director)



PROFIT AND LOSS ACCOUNT**Period ended 30 September 2002**

	Note	2002 £	2001 £
TURNOVER	1	12,600	8,474
Net operating expenses			
Administrative expenses		(1,112)	(4,661)
OPERATING PROFIT		11,488	3,813
Interest payable	2	(8,815)	(8,406)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		2,673	(4,593)
Taxation	3	=	=
PROFIT /(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		2,673	(4,593)
Dividends			
Profit/ (Loss) for the year		<u>2,673</u>	<u>(4,593)</u>

Movements in reserves are shown in note 8.

None of the company's activities were acquired or discontinued during the financial year.

There are no recognised gains or losses in 2002 other than the profit for the year.

BALANCE SHEET
30 September 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	4	142,360	142,360
CURRENT ASSETS			
Cash at bank and in hand		14,283	11,611
CREDITORS: amounts falling due			
Within one year	5	(46,998)	(46,998)
NET CURRENT LIABILITIES		(32,715)	(35,387)
TOTAL ASSETS LESS CURRENT LIABILITIES		109,645	106,973
CREDITORS: amounts falling due			
after more than one year	6	(114,600)	(114,600)
		(4,955)	(7,627)
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Profit and loss account	8	(4,957)	(7,629)
Total equity shareholders' funds	9	(4,955)	(7,627)

The directors:

1. Confirm that for the year ended 30 September 2002 the company was entitled to the exemption under subsection (1) of section 249A of the Companies Act 1985.
2. Confirm that no notice requiring an audit has been deposited under subsection (2) of Section 249B in relation to the accounts for the financial period; and
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 profit or loss for the financial year in accordance with requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to the accounts, so far as applicable to the company.

NOTES TO THE ACCOUNTS
Year ended 30 September 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Depreciation

No depreciation is provided on investment properties which are valued in accordance with Financial Reporting Standard No 15 – Tangible Fixed Assets. In the opinion of the directors this departure from the Companies Act 1985 is necessary for the accounts to give a true and fair view.

Turnover

Turnover represents all income and receivable in respect of rents, stated net of value added tax.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2. INTEREST PAYABLE

	2002
	£
Interest payable on bank loans	<u>8,815</u>

3. TAXATION

No corporation tax is payable in respect of period ended 30 September 2002.

NOTES TO THE ACCOUNTS
Year ended 30 September 202

4. TANGIBLE FIXED ASSETS

	Investment Properties
Cost	
At 30 September 2001	142,360
Net book value	
At 30 September 2002	<u>142,360</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £
Bank loan	0
Accruals and deferred income	500
Directors' loan account	<u>46,498</u>
	46,998

Directors' loan has been provided by all current directors £23,249 each.

NOTES TO THE ACCOUNTS
Year ended 30 September 2002

6. CREDITORS: AMOUNTS FALLING DUE OUTWITH ONE YEAR

	2002
	£
Bank loan	114,600
The bank loan is repayable on sale of investment property	
The loan is secured by First Standard Security over the freehold property.	

7. CALLED UP SHARE CAPITAL

Authorised

1000 ordinary shares of £1 each

Allotted, called up and fully paid

2 ordinary shares of £1 each

8. PROFIT AND LOSS ACCOUNT

	2002
	£
1 October 2001	(7,628)
Profit for the year	2,673
30 September 2002	<u>(4,955)</u>

NOTES TO THE ACCOUNTS
Year ended 30 September 2002

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002
	£
Profit for the financial year	2,673
Dividends	0
Net increase to shareholders' funds	2,673
Opening shareholders' funds	(7,628)
Closing shareholders' funds	<u>(4,955)</u>

TRADING PROFIT AND LOSS ACCOUNT
Year ended 30 September 2002

	2002 £
Rent receivable	12,600
Less overheads	
Interest payable on bank loans	8,815
Administrative expenses	<u>1,112</u>
	9,927
Net loss before taxation	<u><u>2,673</u></u>