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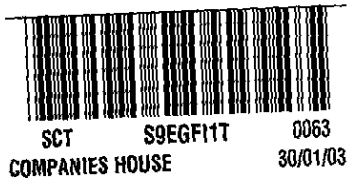
REPORT OF THE DIRECTOR AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

FOR

SHEBANG PLC



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FOR THE YEAR ENDED 30 JUNE 2002

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SHEBANG PLC

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2002

DIRECTOR:	Thomas B Hamilton
SECRETARY:	Angela Burns
REGISTERED OFFICE:	Block 576 29 Montrose Avenue Hillington Industrial Estate Glasgow G52 4LA
REGISTERED NUMBER:	207987 (Scotland)
AUDITORS:	Sinclair Wood & Co. Chartered Accountants & Registered Auditors Gordon Chambers 90 Mitchell Street Glasgow G1 3NQ
BANKERS:	The Royal Bank of Scotland plc Glasgow City Branch 10 Gordon Street Glasgow G1 3PL
SOLICITORS:	Biggart Baillie Dalmore House 310 St Vincent Street Glasgow G2 5QR

SHEBANG PLC

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 JUNE 2002

The director presents his report with the financial statements of the company for the year ended 30 June 2002.

PRINCIPAL ACTIVITIES
The principal activities of the company in the year under review were those of development and sale of real estate.

REVIEW OF BUSINESS
The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS
No dividends will be distributed for the year ended 30 June 2002.

DIRECTOR
Thomas B Hamilton was the sole director during the year under review.

The director holding office at 30 June 2002 did not hold any beneficial interest in the issued share capital of the company at 1 July 2001 or 30 June 2002.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

AUDITORS
The auditors, Sinclair Wood & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

Angela Burns - SECRETARY

Dated: 28 January 2003

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF SHEBANG PLC

We have audited the financial statements of Shebang plc for the year ended 30 June 2002 on pages four to thirteen. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Respective responsibilities of director and auditors
As described on page two the company's director is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Director is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Report of the Director and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Sinclair Wood & Co.
Chartered Accountants
& Registered Auditors
Gordon Chambers
90 Mitchell Street
Glasgow
G1 3NQ

Dated: 29 January 2003

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002

	Notes	YEAR ENDED 30/6/02	PERIOD 9/6/00 TO 30/6/01
		£	£
TURNOVER		-	-
Administrative expenses		**8,123**	5,902
		(8,123)	(5,902)
Other operating income		**14,047**	992
OPERATING PROFIT/(LOSS)	3	**5,924**	(4,910)
Interest receivable and similar income		**29**	82
		5,953	(4,828)
Interest payable and similar charges	4	**5,409**	252
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**544**	(5,080)
Tax on profit/(loss) on ordinary activities	5	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		**544**	(5,080)
Deficit brought forward		**(5,080)**	-
DEFICIT CARRIED FORWARD		**£(4,536)**	£(5,080)

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current year or previous period.

The notes form part of these financial statements

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2002

	YEAR ENDED 30/6/02	PERIOD 9/6/00 TO 30/6/01
	£	£
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	**544**	(5,080)
Revaluation of freehold property	**6,857**	35,659
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	**£7,401**	£30,579

The notes form part of these financial statements

SHEBANG PLC

BALANCE SHEET
30 JUNE 2002

	Notes	2002		2001	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	6		**159,004**		113,319
CURRENT ASSETS:					
Cash at bank		**8,325**		21,089	
CREDITORS: Amounts falling due within one year	7	**14,752**		10,776	
NET CURRENT (LIABILITIES)/ASSETS:			**(6,427)**		10,313
TOTAL ASSETS LESS CURRENT LIABILITIES:			**152,577**		123,632
CREDITORS: Amounts falling due after more than one year	8		**74,597**		53,053
			£77,980		£70,579
CAPITAL AND RESERVES:					
Called up share capital	12		**40,000**		40,000
Revaluation reserve	13		**42,516**		35,659
Profit and loss account			**(4,536)**		(5,080)
SHAREHOLDERS' FUNDS:	15		**£77,980**		£70,579

ON BEHALF OF THE BOARD:

Thomas B Hamilton - DIRECTOR

Approved by the Board on 28 January 2003



The notes form part of these financial statements

SHEBANG PLC

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2002

	Notes	YEAR ENDED 30/6/02	PERIOD 9/6/00 TO 30/6/01
		£	£
Net cash inflow/(outflow) from operating activities	1	**5,719**	(2,840)
Returns on investments and servicing of finance	2	**(5,380)**	(170)
Capital expenditure	2	**(38,951)**	(77,804)
		(38,612)	**(80,814)**
Financing	2	**25,848**	101,903
(Decrease)/Increase in cash in the period		**£(12,764)**	**£21,089**

	Notes		
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		**(12,764)**	**21,089**
Change in net funds resulting from cash flows		**(12,764)**	21,089
Movement in net funds in the period		**(12,764)**	**21,089**
Net funds at 1 July		**21,089**	**-**
Net funds at 30 June		**£8,325**	**£21,089**

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2002

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	YEAR ENDED 30/6/02 £	PERIOD 9/6/00 TO 30/6/01 £
Operating profit/(loss)	**5,924**	(4,910)
Depreciation charges	**123**	144
(Decrease)/Increase in creditors	**(328)**	1,926
Net cash inflow/(outflow) from operating activities	**5,719**	(2,840)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	YEAR ENDED 30/6/02 £	PERIOD 9/6/00 TO 30/6/01 £
Returns on investments and servicing of finance		
Interest received	**29**	82
Interest paid	**(5,409)**	(252)
Net cash outflow for returns on investments and servicing of finance	**(5,380)**	(170)
Capital expenditure		
Purchase of tangible fixed assets	**(38,951)**	(77,804)
Net cash outflow for capital expenditure	**(38,951)**	(77,804)
Financing		
New loan taken out in year	**25,848**	61,903
Cash receipt re share issue	**-**	40,000
Net cash inflow from financing	**25,848**	101,903

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/01 £	Cash flow £	At 30/6/02 £
Net cash:			
Cash at bank	**21,089**	**(12,764)**	**8,325**
	21,089	**(12,764)**	**8,325**
Total	**21,089**	**(12,764)**	**8,325**
Analysed in Balance Sheet			
Cash at bank	**21,089**		**8,325**
	21,089		**8,325**

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 15% on a reducing balance basis

Deferred taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Investment property
In accordance with Statement of Standard Accounting Practice Number 19 : (i) investment property is revalued annually with the aggregate surplus or deficit being transferred to a revaluation reserve; and (ii) no depreciation or amortisation is provided in respect of freehold investment property.

The requirement of the Companies Act 1985 is to depreciate all property, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as the property is not held for consumption but for investment, to depreciate it would not give a true and fair view and that it is therefore necessary to adopt SSAP 19 in order to give a true and fair view. If this departure from the Act had not been made, the reported profit for the financial year would have been reduced by a depreciation charge on the property of £3,166.

2. STAFF COSTS

There were no staff costs for the year ended 30 June 2002 nor for the period ended 30 June 2001.

The average monthly number of employees during the year was as follows:

	YEAR ENDED 30/6/02	PERIOD 9/6/00 TO 30/6/01
Part-time employees	**2**	2

3. OPERATING PROFIT/(LOSS)

The operating profit (2001 - operating loss) is stated after charging:

	YEAR ENDED 30/6/02	PERIOD 9/6/00 TO 30/6/01
	£	£
Depreciation - owned assets	**123**	144
Auditors' remuneration	**1,633**	600
Directors' emoluments	**-**	-

4. INTEREST PAYABLE AND SIMILAR CHARGES

	YEAR ENDED 30/6/02	PERIOD 9/6/00 TO 30/6/01
	£	£
Bank overdraft interest	52	-
Loan interest	5,357	252
	5,409	252

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2002 nor for the period ended 30 June 2001.

6. TANGIBLE FIXED ASSETS

	Freehold investment property	Fixtures and fittings	Totals
	£	£	£
COST OR VALUATION:			
At 1 July 2001	112,500	963	113,463
Additions	38,951	-	38,951
Surplus on revaluation	6,857	-	6,857
At 30 June 2002	158,308	963	159,271
DEPRECIATION:			
At 1 July 2001	-	144	144
Charge for year	-	123	123
At 30 June 2002	-	267	267
NET BOOK VALUE:			
At 30 June 2002	158,308	696	159,004
At 30 June 2001	112,500	819	113,319

Cost or valuation at 30 June 2002 is represented by:

	Freehold investment property	Fixtures and fittings	Totals
	£	£	£
Valuation in 2001	35,659	-	35,659
Valuation in 2002	6,857	-	6,857
Cost	115,792	963	116,755
	158,308	963	159,271

Freehold investment properties were valued on an open market basis on 30 June 2002 by C R G P Robertson, Chartered Surveyors.

If the freehold investment properties were sold at valuation a maximum tax charge of £9,353 would arise.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Bank loans and overdrafts (see note 9)	**13,154**	8,850
Trade creditors	**423**	294
Accruals and deferred income	**1,175**	1,632
	14,752	10,776

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £	2001 £
Bank loans (see note 9)	**74,597**	53,053

9. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Bank loans	**13,154**	8,850
Amounts falling due between one and two years:		
Bank loans	**13,154**	8,850
Amounts falling due between two and five years:		
Bank loans	**52,616**	26,551
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	**8,827**	17,652

10. SECURED DEBTS

The following secured debts are included within creditors:

	2002 £	2001 £
Bank loans	**87,751**	61,903

The bank loan facilities are secured by standard securities over certain of the company's freehold investment properties.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

11. PROVISIONS FOR LIABILITIES AND CHARGES

The amount for which no provision has been made in respect of deferred taxation is as follows:

	2002	2001
	£	£
On revaluation surplus	9,332	7,845

12. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	**2002**	2001
			£	£
1,000,000	Ordinary	£1	**1,000,000**	1,000,000

Allotted and issued:

Number:	Class:	Nominal value:	**2002**	2001
			£	£
50,000	Ordinary	£1	**40,000**	40,000

80 pence per share had been paid up by 30 June 2001.

13. REVALUATION RESERVE

	2002	2001
	£	£
Revaluation brought forward	**35,659**	-
Revaluation in period	**6,857**	35,659
	42,516	35,659

14. RELATED PARTY DISCLOSURES

Throughout the year ended 30 June 2002 the company was under the joint control of Hamilton Private Equity Partners Limited and Platinum Properties Limited, each of whom hold 50% of the issued ordinary share capital. Hamilton Private Equity Partners Limited is controlled by Thomas Hamilton, a director of Shebang plc.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit/(Loss) for the financial year	**544**	(5,080)
Other recognised gains and losses relating to the year (net)	**6,857**	35,659
Issue of share capital	**-**	40,000
Net addition to shareholders' funds	**7,401**	70,579
Opening shareholders' funds	**70,579**	-
Closing shareholders' funds	**77,980**	70,579
Equity interests	**77,980**	70,579

SHEBANG PLC

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002

	YEAR ENDED 30/6/02		PERIOD 9/6/00 TO 30/6/01	
	£	£	£	£
Income		-		-
Other income:				
Rents received	**14,047**		992	
Bank interest received	**29**		82	
		14,076		1,074
		14,076		1,074
Expenditure:				
Factoring costs	**3,589**		457	
Sundry expenses	**1**		136	
Auditors' remuneration	**1,633**		600	
Company formation costs	**-**		1,460	
Legal and professional fees	**171**		3	
Insurance	**401**		189	
Heat and light	**50**		72	
Repairs to property	**1,767**		2,392	
		7,612		5,309
		6,464		(4,235)
Finance costs:				
Bank overdraft interest	**52**		-	
Loan interest	**5,357**		252	
Bank charges	**388**		449	
		5,797		701
		667		(4,936)
Depreciation:				
Fixtures and fittings		**123**		144
NET PROFIT/(LOSS)		**£544**		£(5,080)