Registrars

R. GRAHAM CONSTRUCTION LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2001



WILLIAM DUNCAN & CO.
Chartered Accountants
Silverwells House
114 Cadzow Street
Hamilton ML3 6HP

R. GRAHAM CONSTRUCTION LIMITED

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2001

CONTENTS **Page**

COMPANY INFORMATION	1
DIRECTOR'S REPORT	2 - 3
BALANCE SHEET	4
NOTES TO THE FINANCIAL STATEMENTS	5

INFORMATION FOR THE MEMBERS ONLY

CHARTERED ACCOUNTANTS' REPORT

R. GRAHAM CONSTRUCTION LIMITED

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2001

Director	Margaret Graham
Secretary	Robert Graham
Company number	SC210367
Registered office	Silverwells House 114 Cadzow Street Hamilton ML3 6HP
Reporting accountants	William Duncan & Co. Chartered Accountants Silverwells House 114 Cadzow Street Hamilton ML3 6HP

R. GRAHAM CONSTRUCTION LIMITED

DIRECTOR'S REPORT

The director submits her report and the financial statements for the period ended 31 August 2001.

1. 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 her to ensure that the financial statements comply with the Companies Act 1985. She 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.

2. Date of incorporation

The company was incorporated on 25 August 2000.

3. Share capital

During the period 2 ordinary shares of £1 each were issued for cash at par.

4. Principal activity

The company did not trade during the period.

5. Director and her interest

The director who served during the period and her beneficial interest in the company's issued ordinary share capital was:

	At 31 August 2001 No.	At 25 August 2000 No
Margaret Graham	2	2

6. Close company status

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

7. Small company exemptions

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

ON BEHALF OF THE BOARD

X Margaret Graham

MARGARET GRAHAM

DIRECTOR

14 September 2001

R. GRAHAM CONSTRUCTION LIMITED

BALANCE SHEET AT 31 AUGUST 2001

	Notes	£
Current assets		
Other debtors	2	2
Net assets		£ 2
Capital and reserves		
Called up share capital	3	2
Shareholders' funds	4	£ 2

The director is satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B of the Companies Act 1985.

The director acknowledges her responsibilities for:

i) ensuring that the company keeps accounting records which comply with section 221; and

ii) preparing financial statements 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 period in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the Director on 14 September 2001.

ON BEHALF OF THE BOARD

X Margaret Graham

MARGARET GRAHAM DIRECTOR

14 September 2001

The notes on page 5 form part of these financial statements.

R. GRAHAM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2001

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts.

(a) Basis of preparation of financial statements

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

The effect of events relating to the period ended 31 August 2001 which occurred before the date of approval of the financial statements by the Director, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 30 November 2000 and of the results for the period ended on that date.

The company has taken advantage of the exemption in FRS1 from the requirement to prepare a cashflow statement on the grounds that it is a small company.

2. Debtors

Other debtors	£ 2

3. Share capital

	No.
Authorised	
Ordinary shares of £1 each	100
Allotted, issued and fully paid	
Ordinary shares of £1 each	£ 2

4. Reconciliation of movement in shareholders' funds

	£
Issue of share capital	2
At 30 June 2000	£ 2

CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS OF R. GRAHAM CONSTRUCTION LIMITED FOR THE PERIOD ENDED 31 AUGUST 2001

As described on page 4 you are responsible for the preparation of the financial statements and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared the financial statements on pages 4 and 5 from the accounting records and from information and explanations supplied to us.

William Duncan & Co

WILLIAM DUNCAN & CO.
Chartered Accountants
Silverwells House
114 Cadzow Street
Hamilton ML3 6HP

14 September 2001