

COMPANY NUMBER:
SC213988(SCOTLAND) ON 20TH DECEMBER 2000

CORNERSTONE SCOTLAND LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001

JULIA WINSEY & CO.
ACCOUNTANTS
UNIT 3C
83 NORTH CASTLE STREET
BANFF
AB45 1JJ



CORNERSTONE SCOTLAND LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2001

The directors present their report and the financial statements for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be that of General Commercial Company

DIRECTORS' INTERESTS

The directors of the company during the year and their interests in the share capital of the company as recorded in the register of directors' interests were as follows:

	2001 NO. OF SHARES
Gary John Reid	1
Herbert Durno Reid	1

RESPONSIBILITIES OF THE DIRECTORS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of 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;

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 to 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.

This report was approved by the board on 15th September 2002 and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (Effective March 2000).

BEHALF OF THE BOARD

Patricia M. Reid.....
Patricia Margaret Reid

ACCOUNTANTS' REPORT

TO THE DIRECTORS OF CORNERSTONE SCOTLAND LIMITED

You are responsible for the preparation of the financial statements for the year ended 31st December 2001 set out on pages 3 to 4, and you consider that the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Julia Winsey.....
Julia Winsey & Co.
Accountants
Unit 3c
83 North Castle Street
Banff
AB45 1JJ

Dated: 15th September 2002

CORNERSTONE SCOTLAND LIMITED

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2001

The company has not traded during the year or the preceding financial year. During this time, the company received no income and incurred no expenditure therefore making neither profit nor loss.

BALANCE SHEET

AS AT 31ST DECEMBER 2001

NOTE

2001

2000

£

£

£

£

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CAPITAL AND RESERVES

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For the year ended 31st December 2001 the company was entitled to exemption under section 249AA (1) of the Companies Act.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with subsection (2) of 249B.

The directors acknowledge their responsibility for:

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

Preparing financial statements which give a true and fair view 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 financial statements, so far as applicable to the company.

Approved by the directors on 15th September 2002.

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Gary Reid

The annexed notes form part of these financial statements.

CORNERSTONE SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective March 2000).

CASH FLOW STATEMENT

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

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

2. SHARE CAPITAL

	2001 £
AUTHORISED	
Ordinary shares of £1 each	170,000
	£
ALLOTTED, CALLED UP AND FULLY PAID	
Ordinary shares of £1 each	2
	£
Ordinary Shares of £1 each	2

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