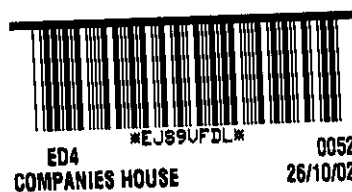


**LOCHEIL DEVELOPMENT COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2001**



**Company number 00922584**

**LOCHEIL DEVELOPMENT COMPANY LIMITED**

**YEAR ENDED 31 DECEMBER 2001**

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**LOCHEIL DEVELOPMENT COMPANY LIMITED**

**YEAR ENDED 31 DECEMBER 2001**

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**COMPANY INFORMATION**

**Directors**

M W Douglas  
Chadwick House  
6 Hallam Road  
Clevedon  
N Somerset BS21 7SF

S A Douglas  
20 Tyderman Rd  
The Vale  
Portishead BS20 7LS

R J Douglas  
11 Linden Road  
Clevedon  
N Somerset BS21 7SL

A A Douglas  
1 Bradenham Place  
Penarth  
Cardiff CF64 2AJ

**Secretary**

J M Douglas  
Chadwick House  
6 Hallam Road  
Clevedon  
N Somerset BS21 7SF

**Registered Office**

Chadwick House  
6 Hallam Road  
Clevedon  
N Somerset BS21 7SF

# **LOCHEIL DEVELOPMENT COMPANY LIMITED**

## **DIRECTORS REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2001**

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### **AUDITOR**

The directors have taken advantage of the exemption conferred by Section 249A, Subsection (1) of The Companies Act 1985, to prepare unaudited Accounts.

### **REPORT OF THE DIRECTORS**

The directors submit their report, together with accounts for the year ended 31 December 2001.

#### Statement of the 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 the company's affairs and 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.

#### Principal Activities

The principal activities of the company are the ownership, management and letting of commercial properties.

### Review of Business Developments

The company's property portfolio comprises one leasehold commercial property in Glasgow; the property being held on a long lease. The holding is subdivided into smaller units which are let to tenants on varying terms, with regular, upward only, rent reviews.

The company has no immediate plans to expand the company's activities.

### Results and Dividends

The results for the period are set out in the Profit And Loss Account and show a net loss of (£158047). (2000 loss £79030). £15969 of the loss is an extraordinary expense and is the professional cost of rent arbitration.

The directors do not recommend the payment of a dividend. (2000 - £51,000)

### Directors Interests

	<u>Ordinary shares of £1 each</u>			
	30.12.01		30.12.00	
	Director	Family	Director	Family
M W Douglas	Nil	Nil	Nil	Nil
S A Douglas	Nil	Nil	Nil	Nil
R J Douglas	Nil	Nil	Nil	Nil
S A Douglas	Nil	Nil	Nil	Nil
A A Douglas	Nil	Nil	Nil	Nil

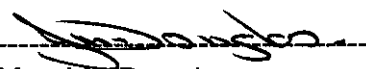
### Ultimate Holding Company

The company is a subsidiary of Cadentrend Developments Limited; a company registered in England; who hold 100% of the company's issued share capital.

### Small Companies

This report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 of The Companies Act 1985 on the grounds that in the opinion of the directors the company is entitled to those exemptions as a small company.

By Order of The Board

  
Mrs J M Douglas  
(Secretary)

6-10-02  
Date

**LOCHEIL DEVELOPMENT COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2001**

	<u>Note</u>	<u>2001</u>	<u>2000</u>
Rental Income & Fees Receivable	2	141,255	148,699
Direct Property Costs	3	<u>94,515</u>	<u>94,515</u>
<b>NET RENTS RECEIVABLE</b>		46,740	54,184
Administrative Expenses		<u>203,741</u>	<u>121,273</u>
<b>NET OPERATING LOSS</b>	4	(157,001)	(67,089)
Interest Receivable		300	3,376
Interest Payable		<u>- -</u>	<u>(132)</u>
<b>(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(156,701)	(63,845)
Tax on ordinary activities	5	<u>(790)</u>	<u>(19,164)</u>
<b>(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(157,491)	(83,009)
Dividends Paid (Group)		<u>- -</u>	<u>(51,000)</u>
<b>RETAINED (LOSS) TRANSFERRED TO RESERVES</b>		<u>(157,491)</u>	<u>(134,009)</u>

There were no recognised gains or losses for the year except those included in the Profit And Loss Account

The attached notes form part of the financial statements

**LOCHEIL DEVELOPMENT COMPANY LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2001**

	<u>Note</u>	<u>2001</u>	<u>2000</u>
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	7	169,789	170,466
Investment in Associate	8	<u>200</u>	<u>200</u>
		<u>169,989</u>	<u>170,666</u>
<b>CURRENT ASSETS</b>			
Development Property	10	157,000	157,000
Debtors & Prepayments	11	78,135	107,983
Cash at bank and in hand		<u>1,361</u>	<u>8,619</u>
		<u>236,496</u>	<u>273,602</u>
<b>CURRENT LIABILITIES</b>			
Amounts falling due for Payment within 1 year	12	<u>257,863</u>	<u>138,155</u>
<b>NET CURRENT (LIABILITIES) / ASSETS</b>		<u>(21,367)</u>	<u>135,447</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>148,622</u>	<u>306,113</u>
Long Term Liabilities		<u>--</u>	<u>--</u>
<b>NET ASSETS</b>		<u><b>148,622</b></u>	<u><b>306,113</b></u>
Financed by:			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	1,000	1,000
Reserves		29,542	187,033
Revaluation		<u>118,080</u>	<u>118,080</u>
<b>SHAREHOLDERS FUNDS</b>	15	<u><b>148,622</b></u>	<u><b>306,113</b></u>

The notes on the following pages form part of these financial statements.

This Balance Sheet continues on page 7.

**LOCHEIL DEVELOPMENT COMPANY LIMITED**

**BALANCE SHEET CONTINUED .....**

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In approving these financial statements, as directors of the company, we confirm:

1. that for the year ended 31 December 2001, the company was entitled to the exemption conferred by Section 249A(1) of The Companies Act 1985
2. that no notice has been deposited by 10% of the company's issued share capital at the registered office of the company requiring the company to acquire an audit of its accounts for the financial year pursuant to Section 249B(2)
3. that we acknowledge our responsibilities for

(a) ensuring that the company keeps accounting records which comply with Section 221 of The Companies Act 1985


and

(b) preparing accounts which give a true and fair view of the state of company's affairs as at 31 December 2001 and of its profit for the year then ended and which otherwise comply with the provision of The Companies Act 1985 relating to accounts so far as is applicable to the company.

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985.

The notes and accounting policies on pages 7 to 9 form part of these financial statements

On behalf of the board



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M W Douglas  
(Director)



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Date



# LOCHEIL DEVELOPMENT COMPANY LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

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### 1 ACCOUNTING POLICIES

#### 1.1 Basis of Accounts

The accounts have been prepared in accordance with accounting standards and under the historic cost convention (when appropriate) to include the revaluation of leasehold land and buildings.

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

#### 1.2 Leasehold Land and Buildings

Leasehold land and buildings are at directors valuation based upon current net rentals received and upon reasonable assumptions of current market values. Due regard has been given to the formulae used during the professional valuation carried out in November 1986. The valuation includes revaluations that took place in previous years.

#### 1.3 Depreciation of Fixed Assets

Depreciation is calculated to write off fixed assets over their expected useful lives by reference to original costs or subsequent valuation on the following annual basis:

Computer Equipment	30% on reducing balance
Other Equipment	15% on reducing balance

#### 1.4 Deferred Taxation

In the opinion of the directors no provision for deferred taxation is required.

### 2. RENTAL INCOME

	<u>2001</u>	<u>2000</u>
Rents receivable	<u>141,255</u>	<u>148,699</u>
	<u>141,555</u>	<u>152,075</u>

### 3. DIRECT PROPERTY COSTS

	<u>2001</u>	<u>2000</u>
Rent Payable	<u>94,515</u>	<u>94,515</u>

### 4 NET OPERATING PROFIT

Stated after charging:

Audit fees	--	800
Non audit accountancy fees	1,600	200
Professional fees	15,969	--
Directors remuneration & fees	122,137	68,186
Staff costs & NIC	52,110	39,052
Depreciation	<u>676</u>	<u>949</u>

### 5 TAXATION

Corporation tax payable for year	60	1,069
Adjustments for previous years	<u>730</u>	<u>19,164</u>

### 7 TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings	Office Equipment	Total
Cost or Valuation	168,000	6,861	174,861
Additions	--	--	--
Disposals	--	--	--
At 31 December 2001	<u>168,000</u>	<u>6,861</u>	<u>174,861</u>
Depreciation at 1 January 2001	--	4,395	4,395
Charge for year	--	676	676
At 31 December 2001	<u>--</u>	<u>5,071</u>	<u>5,071</u>
Net Book Value At 31 December 2001	<u>168,000</u>	<u>1,790</u>	<u>169,790</u>

## 8 INVESTMENTS

Investment in associated company 200

The investment comprises 200 ordinary shares of £1 each in fellow subsidiary Locheil Development (Edinburgh) Limited

## 10. DEVELOPMENT PROPERTY

<u>157,000</u>	<u>157,000</u>
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The development property comprises a freehold site in Scotland

## 11. DEBTORS AND PREPAYMENTS

Intergroup current accounts	45,119	63,814
Prepayments	20,711	20,711
Rents due	12,305	15,185
Other debtors	--	8,273
	<u>78,135</u>	<u>107,983</u>

## 12. CREDITORS

Due within one year:		
Trade creditors	25,566	25,566
Inter-group current accounts	164,212	102,505
PAYE/NI	64,097	7,421
Accruals	1,600	1,385
Credit cards	2,328	209
Corporation tax	60	1,069
	<u>257,863</u>	<u>138,155</u>

## 14 CALLED UP SHARE CAPITAL

	<u>2001</u>	<u>2000</u>
Authorised Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
Issued and Fully Paid	<u>1,000</u>	<u>1,000</u>

# **15 RESERVES AND MOVEMENTS OF SHAREHOLDERS FUNDS**

Reserves at 1 January 2001	187,033	321,042
(Loss for year)	<u>(157,491)</u>	<u>(83,009)</u>
	29,542	238,033
Dividends paid	- -	51,000
Reserves at 31 December 2001	29,542	187,033
Revaluation reserves	<u>118,080</u>	<u>118,080</u>
	147,622	305,113
Issued Share Capital	<u>1,000</u>	<u>1,000</u>
Shareholders funds at 31 December 2001	<u>148,622</u>	<u>306,113</u>