

**WILLIAM WATSON (GLASGOW) LIMITED**

**Report and Accounts**

**For the year ended 31 May 1997**

**Company number: SC9499**

**Hardie Caldwell**  
(INCORPORATING PEACOCK & HENRY)

*CHARTERED ACCOUNTANTS*

Glasgow

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**Company Information**  
**For the year ended 31 May 1997**

<b>Directors</b>	W A Watson Mrs E W Watson
<b>Secretary</b>	W A Watson
<b>Registered office</b>	c/o Savoy Tower 77 Renfrew Street Glasgow G2 3BY
<b>Bankers</b>	The Royal Bank of Scotland Plc 469 Paisley Road West Glasgow G51 1RJ
<b>Solicitors</b>	Bishop & Co 2 Blythswood Square Glasgow G2 4AD
<b>Auditors</b>	Hardie Caldwell Chartered Accountants Savoy Tower 77 Renfrew Street Glasgow G2 3BY

**Directors' report**  
**For the year ended 31 May 1997**

The directors present their report and the audited accounts for the year ended 31 May 1997.

**Business review**

The company ceased trading on 1st June, 1993.

**Results and dividends**

The results for the year are shown in the profit and loss account on page 5. The directors do not propose payment of an ordinary dividend, the loss for the year is to be absorbed by reserves.

**Directors**

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

	31 May 1997 Ordinary shares	1 June 1996 Ordinary shares
W A Watson : 'A' Ordinary shares of £1	13,000	13,000
W A Watson : 'B' Ordinary shares of £1	8,000	8,000
Mrs E W Watson : 'A' Ordinary shares of £1	1,000	1,000

In accordance with the Articles of Association, W A Watson retires by rotation and being eligible, offers himself for re-election.

**Auditors**

Hardie Caldwell, Chartered Accountants, have expressed their willingness to continue in office and a resolution proposing their re-appointment will be put to the members at the Annual General Meeting.

Approved by the Board on 18 September 1997 and signed on its behalf

W A Watson



Secretary

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**Statement of Directors' responsibilities**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its results for that period. In preparing those accounts the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume 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 accounts 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 or other irregularities.

**Report of the auditors  
to the shareholders of William Watson (Glasgow) Limited**

We have audited the accounts on pages 5 to 8 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud, error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 May 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Hardie Caldwell  
Chartered Accountants  
and Registered Auditors**

*22<sup>nd</sup> September 1997*

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**Profit and loss account**  
**For the year ended 31 May 1997**

	Note	1997 £	1996 £
Administrative expenses		(470)	(672)
Other operating income		4	37
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		(466)	(635)
Taxation	3	-	-
		<hr/>	<hr/>
<b>Retained loss for the year</b>		<u>(466)</u>	<u>(635)</u>

The profit and loss account contains all the gains and losses recognised in the current and preceding year, and the loss retained represents the only movement in shareholders' funds.

The notes on pages 7 to 8 form part of these account

**Balance sheet**  
**As at 31 May 1997**

	Note	£	1997 £	1996 £
<b>Fixed assets</b>				
Investments			99	99
			<u>99</u>	<u>99</u>
<b>Current assets</b>				
Debtors	5	47,234		52,234
		<u>47,234</u>		<u>52,234</u>
<b>Creditors: amounts falling due within one year</b>	6	(286)		(4,820)
			<u>46,948</u>	<u>47,414</u>
<b>Net current assets</b>				
			<u>47,047</u>	<u>47,513</u>
<b>Total assets less current liabilities</b>				
			<u>47,047</u>	<u>47,513</u>
<b>Capital and reserves</b>				
Called up share capital	7		22,000	22,000
Other reserves			2,035	2,035
Profit and loss account			23,012	23,478
			<u>47,047</u>	<u>47,513</u>
<b>Total shareholders' funds</b>	9		<u>47,047</u>	<u>47,513</u>

Approved by the Board on 18 Septemebr 1997 and signed on its behalf

W A Watson



Director

Mrs E W Watson



Director

The notes on pages 7 to 8 form part of these accounts



**WILLIAM WATSON (GLASGOW) LIMITED**
**Notes on the financial statements**  
**For the year ended 31 May 1997**
**1 Accounting policies**
**Basis of accounting**

The accounts comply with all applicable accounting standards and have been prepared under the historical cost convention. The directors have taken advantage of the exemption available under Section 248 of the Companies Act 1985 not to prepare group accounts. The group which it heads qualifies as a small group. The accounts therefore contain information about the company as an individual company and do not contain consolidated accounting information as the parent of a group.

**2 Operating loss**

	1997 £	1996 £
Operating loss is stated after charging		
Audit and accountancy fees	250	180
Bank interest	167	446
	<u>          </u>	<u>          </u>

**3 Taxation**

The company has no liability for taxation.

**4 Investment on subsidiary undertaking**

The company owns 99 Ordinary Shares of £1, which is 99% of Issued Share Capital of W & R Lewis (Glasgow) Limited, an unlisted company registered in Scotland and incorporated in Britain.

The following information relates to the subsidiary undertaking as at 31 May 1997.

	1997 £	1996 £
Aggregate amount of capital and reserves	453,768	428,284
Retained profit for year	25,484	30,812
	<u>          </u>	<u>          </u>

**5 Debtors**

	1997 £	1996 £
Amounts falling due within one year		
Amounts owed by subsidiary undertaking	47,234	52,234
	<u>          </u>	<u>          </u>
	47,234	52,234
	<u>          </u>	<u>          </u>

Notes on the financial statements  
For the year ended 31 May 1997

## 6 Creditors

	1997 £	1996 £
Amounts falling due within one year		
Bank overdraft	86	3,845
Accruals and deferred income	200	975
	<u>286</u>	<u>4,820</u>

The bank overdraft is secured by a bond and floating charge over the assets of the company.

## 7 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
'A' Ordinary Shares of £1	14,000	14,000	14,000	14,000
'B' Ordinary Shares of £1	8,000	8,000	8,000	8,000
3,000 Unissued Shares of £1	3,000	3,000	3,000	3,000
	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Allotted called up and fully paid				
'A' Ordinary Shares of £1	14,000	14,000	14,000	14,000
'B' Ordinary Shares of £1	8,000	8,000	8,000	8,000
	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>

## 8 Cross Guarantee

The company has granted a cross guarantee on behalf of W & R Lewis (Glasgow) Limited, its subsidiary company, in favour of the Royal Bank of Scotland Plc.

## 9 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Loss for the financial year representing a subtraction from shareholders' funds	(466)	(635)
Opening shareholders' funds	47,513	48,148
Closing shareholders' funds	<u>47,047</u>	<u>47,513</u>