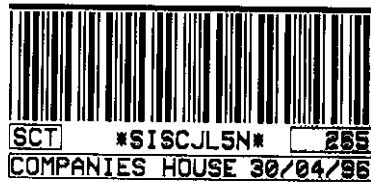


CLINT ESTATES LIMITED

REPORT and ACCOUNTS

For the year ended 30th September 1995



CLINT ESTATES LIMITED

DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 30th September 1995.

Principal activity

The principal activities of the company during the year have remained the ownership and management of land and forestry.

Directors' and their interests

The directors at 30th September 1995, who served during the year and their interests in the share capital of the company at the year end was as follows:-

	Ordinary shares		Preference shares		"A" debenture stock
	Voting	Non-voting	Voting	Non-voting	
Mrs E M Blair	-	-	-	-	800
J W Blair	-	-	100	250	2,800
Mrs C L Blair*	250	250	-	-	-
Mrs J F Turcan	-	-	100	-	-

* Held as trustee

In accordance with the Articles of Association Mrs C L Blair retires from the Board by rotation and being eligible, offers herself for re-election.

No director had any interest in a contract with the company, except for J W Blair, who is a partner of Anderson Strathern, WS., the Secretaries of the company.

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 state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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 accounts 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 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 and other irregularities.

Auditors

A resolution to re-appoint Chiene & Tait, CA as auditors will be put to the members at the Annual General Meeting.

CLINT ESTATES LIMITED

DIRECTORS' REPORT (Contd.)

Small company exemptions

The directors have taken advantage of the exemptions conferred by Part I of the Schedule 8 to the Companies Act 1985.

BY ORDER OF THE BOARD



Anderson Strathern, WS
Secretaries
48 Castle Street
EDINBURGH

29 III 1996

NORMAN LESSELS C.B.E.
DAVID A F COLLIER
J MARTIN HALDANE
J GAVIN MORTON
MARTIN F SINCLAIR
RONALD M SINCLAIR
WILLIAM G R THOMSON

**REPORT OF THE AUDITORS TO THE MEMBERS OF
CLINT ESTATES LIMITED**

We audited the accounts on pages 4 to 8 which have been prepared on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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 statements and to report our opinion to you.

Basis of opinion

We have 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 or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Qualified opinion arising from disagreement about accounting treatment

As described in note 6 the company's practice is to deduct the net proceeds of sale properties from the book value of the heritable property. As a result of this practice the profit for the year and the heritable property and reserves as shown in the accounts have not been computed in accordance with generally accepted accounting practice.

Certain of the company's heritable properties comprise investment properties as defined in Statement of Standard Accounting Practice No.19. These have not been included in the accounts at their open market value, contrary to standard accounting practice. It is not possible to quantify the amount by which the market value differs from the book value.

Except for the above, in our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th September 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as applicable to small companies.



CHIENE & TAIT, CA
Registered Auditors

30th Nov 1996

CLINT ESTATES LIMITED**PROFIT and LOSS ACCOUNT****For the year ended 30th September 1995**

	Notes	1995	1994
		£	£
Turnover		25,338	23,998
Cost of sales		10,119	8,624
		-----	-----
Gross profit		15,219	15,374
Administrative expenses		6,227	6,025
		-----	-----
Operating profit		8,992	9,349
Other operating income	29,303	-	-
Other operating charges	21,006	592	
		-----	-----
		8,297	(592)
Gain on disposal of fixed assets		1,185	390
Interest receivable		76	35
Interest payable		(3,157)	(3,646)
		-----	-----
Profit on ordinary activities before taxation		15,393	5,536
Tax on profit on ordinary activities		-	-
		-----	-----
Profit on ordinary activities after taxation		15,393	5,536
Retained loss brought forward		(81,034)	(86,570)
		-----	-----
Retained loss carried forward		(65,641)	(81,034)
		=====	=====

Recognised gains and losses

There are no recognised gains or losses other than the gain attributable to shareholders of the company of £15,393 in the year ended 30th September 1995 and the gain of £5,536 in the year ended 30th September 1994.

The notes on pages 6 to 8 form part of these account


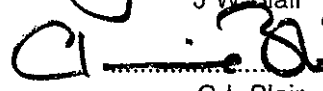
CLINT ESTATES LIMITED

BALANCE SHEET

At 30th September 1995

	Notes	1995	1994
		£	£
Fixed assets			
Tangible assets	6		
Heritable property - Country		220,919	205,477
- Town		128	128
Motor vehicles, machinery and plant		6,286	8,525
Timber - Growing woods		1	1
Tenants' improvements		352	382
		-----	-----
		227,686	214,513
Investments in farming partnerships		200	200
		-----	-----
		227,886	214,713
Current assets			
Other debtors		375	157
Cash on deposit		2,095	-
		-----	-----
		2,470	157
Creditors: amounts falling due within one year	7	41,612	44,519
		-----	-----
Net current liabilities		(39,142)	(44,362)
		-----	-----
Total assets less liabilities		188,744	170,351
Creditors: amounts falling due after more than one year			
Debentures loans	8	3,800	3,800
Loans - secured	8	132,860	132,860
- unsecured	8	45,800	42,800
		-----	-----
		(182,460)	(179,460)
		-----	-----
		6,284	(9,109)
		=====	=====
Capital and reserves			
Called up share capital	9	1,000	1,000
Share premium account	10	269	269
Capital reserve	10	70,656	70,656
Profit and loss account	10	(65,641)	(81,034)
		-----	-----
		6,284	(9,109)
		=====	=====

The directors have taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985, on the grounds that the company is entitled to the benefit of those exemptions as a small company.


 J W Blair Director

 C L Blair Director

31 III 96, 1996

The notes on pages 6 to 8 form part of these accounts

NOTES to the ACCOUNTS

At 30th September 1995**1. Accounting policies****Accounting convention**

The accounts are prepared under the historical cost convention.

Depreciation

The company's policy is to provide depreciation at rates which are calculated to write off the cost or valuation of the assets by the reducing balance method.

Plant and motor vehicles - over their estimate useful lives at rates of 10% and 25%

No depreciation has been provided on the heritable land and buildings on the grounds that they are investment properties. The market value differs substantially from the amount at which they are included in the balance sheet; it is not considered practicable to estimate the difference.

Growing timber

Growing timber is stated in the balance sheet at a nominal value. Any surplus arising on sales is credited to revenue.

Investment properties

The company's policy is to use the proceeds from the disposal of property to write down the book value of the heritable property.

Cash flow statement

The company is a small company as defined by S247 of the Companies Act 1985 and is entitled to exemption from the preparation of a cash flow statement as required under FRS1. Consequently a cash flow statement has not been prepared.

2. Administrative expenses

	1995	1994
	£	£
These include the following:		
Directors' fees	1,700	1,700
Depreciation	1,709	2,577
Auditors remuneration	1,000	950
	=====	=====

3. Taxation

The directors consider that the charge to tax arising from these accounts is £Nil (1994 £Nil), due to the availability of tax losses from previous years.

4. Turnover

Turnover represents the rents receivable during the year and is attributable to one continuing activity, the ownership and management of land and property.

5. Other operating income

	1995	1994
	£	£
This includes		
Gain on sale of motor vehicles	1,185	390
Woodland Thinnings	29,303	-
	=====	=====

NOTES to the ACCOUNTS

At 30th September 1995

6. Tangible fixed assets	Heritable land and Buildings		Plant & Motors vehicles	Total
	Town properties	Country properties		
	£	£	£	£
Cost or valuation				
At 30th September 1994	128	205,477	19,442	225,047
Additions	-	15,442	733	16,175
Disposals	-	-	(7,443)	(7,443)
	-----	-----	-----	-----
At 30th September 1995	128	220,919	12,732	233,779
	-----	-----	-----	-----
Depreciation				
At 30th September 1994	-	-	10,917	10,917
Provided during year	-	-	1,679	1,679
Disposals	-	-	(6,150)	(6,150)
	-----	-----	-----	-----
At 30th September 1995	-	-	6,446	6,446
	=====	=====	=====	=====
Net book amount				
30th September 1995	128	220,919	6,286	227,333
	=====	=====	=====	=====
30th September 1994	128	205,477	8,525	214,130
	=====	=====	=====	=====

It is the company's policy to use the proceeds from the disposal of property to write down the book value of the heritable property.

7. Creditors amounts falling due within one year	1995	1994
	£	£
Bank overdraft	35,290	38,485
Other creditors	6,322	6,034
	-----	-----
	41,612	44,519
	=====	=====

8. Loans

The loans have no set repayment dates. The interest rates are as follows:

Debentures	-	4%
Unsecured loans	-	interest free to 6%
Secured loans	-	interest free to 16%

The debentures and secured loans are secured over the company's assets.

NOTES to the ACCOUNTS

At 30th September 1995

9. Share capital	Authorised		Allotted, called up and fully paid	
	1995 No.	1994 No.	1995 £	1994 £
Ordinary shares	250	250	250	250
Ordinary shares (non-voting)	250	250	250	250
5% non-cumulative preference shares	250	250	250	250
5% non-cumulative (non-voting)	250	250	250	250
	-----	-----	-----	-----
	1,000	1,000	1,000	1,000
	=====	=====	=====	=====

10. Reserves	Share Premium Account £	Capital Reserve £	Profit and Loss Account £
At 30th September 1994	269	70,656	(81,034)
Profit for year	-	-	15,393
	-----	-----	-----
At 30th September 1995	269	70,656	(65,641)
	=====	=====	=====

11. Reconciliation of shareholders' funds	1995 £	1994 £
At 30th September 1994	(9,109)	(14,645)
Profit/(loss) for the year	15,393	5,536
	-----	-----
At 30th September 1995	6,284	(9,109)
	=====	=====

NOTES to the ACCOUNTS

At 30th September 1995

	1995	1994
	£	£
Town Property (Brunswick Road)		
Rents received	937	937
Insurance	(150)	(150)
	-----	-----
Surplus	787	787
Country Property		
Rents received	24,401	23,061
Repairs	2,537	2,333
Insurance	2,719	2,766
Rates	607	588
Vehicle expenses	1,806	735
Sundries	1,250	1,102
Factors fee	300	300
Vermin control	750	650
	-----	-----
	(9,969)	(8,474)
	-----	-----
Surplus	14,432	14,587
Woods and Woodlands upkeep		
Contracting and fees	19,588	-
Insurances	154	145
Vehicles expenses	1,264	447
	-----	-----
	(21,006)	(592)
Thinnings and sale of timber	29,303	-
	-----	-----
	8,297	(592)
	-----	-----
	8,297	(592)
	-----	-----
	23,516	14,782
Management expenses	(1,918)	(798)
	-----	-----
Operating surplus	21,598	13,984
Depreciation	1,709	2,577
Bank interest and charges	3,305	2,869
Other interest	152	777
Directors' remuneration	1,700	1,700
Auditors' remuneration	1,000	950
Interest receivable	(76)	(35)
Gain on disposal of fixed asset	(1,185)	(390)
Insurance claim	(400)	-
	-----	-----
	(6,205)	(8,448)
	-----	-----
Net profit before taxation	15,393	5,536
	=====	=====