

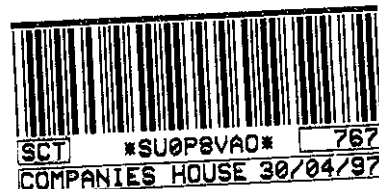
Company Registration Number ~~8323~~
88323

HIGHLAND CLEARANCE LTD
ABBREVIATED FINANCIAL STATEMENTS
31 MARCH 1996

Stuart & Munro

Stuart & Munro
Chartered Accountants

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HIGHLAND CLEARANCE LTD
ACCOUNTANTS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31 MARCH 1996

We report on the unaudited accounts for the year ended 31 March 1996 set out on pages 3 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE REPORTING ACCOUNTANTS As described on page 5 the directors of the company are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

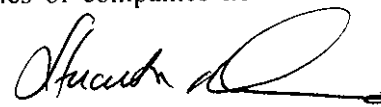
Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemptions specified in section 249B(1)(a) to (f).


STUART & MUNRO
Chartered Accountants

7 April 1997

HIGHLAND CLEARANCE LTD

ABBREVIATED BALANCE SHEET

31 MARCH 1996

	Note	1996 £	1995 £
FIXED ASSETS	2		
Tangible assets		23,720	21,187
CURRENT ASSETS			
Stocks		50,000	30,000
Debtors		7,638	4,789
Cash at bank and in hand		-	2,587
		<u>57,638</u>	<u>37,376</u>
CREDITORS: Amounts falling due within one year		<u>(42,116)</u>	<u>(31,233)</u>
NET CURRENT ASSETS		15,522	6,143
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>39,242</u>	<u>27,330</u>
CAPITAL AND RESERVES			
Equity share capital	3	2	2
Profit and loss account		39,240	27,328
SHAREHOLDERS' FUNDS		<u>39,242</u>	<u>27,330</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(2), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts 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 year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

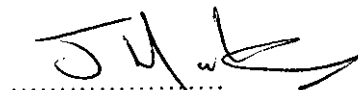
The directors have taken advantage of the abbreviated disclosure exemptions conferred by section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In/

HIGHLAND CLEARANCE LTD**ABBREVIATED BALANCE SHEET** *(continued)***31 MARCH 1996**

In preparing the annual accounts, the directors have taken advantage of the special accounting exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the basis that, in the opinion of the directors, the company qualifies as a small company.

These financial statements were approved by the directors on the 7 April 1997, and are signed on their behalf by:



.....
MR J MACKENZIE

HIGHLAND CLEARANCE LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 1996****1. ACCOUNTING POLICIES****Basis of accounting**

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and equipment	-	10% straight line
Motor vehicles	-	25% on the reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1 April 1995	34,165
Additions	9,633
Disposals	(5,000)
At 31 March 1996	<u>38,798</u>
DEPRECIATION	
At 1 April 1995	12,978
Charge for year	3,600
On disposals	(1,500)
At 31 March 1996	<u>15,078</u>
NET BOOK VALUE	
At 31 March 1996	<u>23,720</u>
At 31 March 1995	<u>21,187</u>

HIGHLAND CLEARANCE LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 1996****3. SHARE CAPITAL****Authorised share capital:**

	1996 £	1995 £
100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	1996 £	1995 £
Ordinary share capital	<u>2</u>	<u>2</u>