

AUDITORS' REPORT TO WILSON HOMES (KILMARNOCK) LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Wilson Homes (Kilmarnock) Ltd. prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1997.

Respective Responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 245(5) and (6) of the Companies Act and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.

*Henry Brown & Co. C.A.*

Henry Brown & Co. C.A.  
Registered Auditor  
26 Portland Road  
Kilmarnock  
Date: 28 April 1998



WILSON HOMES (KILMARNOCK) LIMITED

ABBREVIATED BALANCE SHEET  
AS AT 30TH JUNE 1997

	<u>Notes</u>	£	<u>1997</u> £	£	<u>1996</u> £
FIXED ASSETS					
Intangible assets	2.		3,750		5,000
Tangible assets	3.		22,938		29,841
			-----		-----
			26,688		34,841
CURRENT ASSETS					
Stocks		1,794,843		2,263,601	
Debtors		32,580		72,508	
Cash at bank and in hand		61		186	
		-----		-----	
		1,827,484		2,336,295	
CREDITORS - amounts falling due within one year	4.	(428,996)		(859,432)	
		-----		-----	
NET CURRENT ASSETS			1,398,488		1,476,863
			-----		-----
NET ASSETS			£1,425,176		£1,511,704
			=====		=====
Financed by:					
CAPITAL AND RESERVES					
Called up share capital	5.		5,000		5,000
Profit and loss account			1,420,176		1,506,704
			-----		-----
SHAREHOLDERS' FUNDS			£1,425,176		£1,511,704
			=====		=====

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Alexander Wilson  )  
Maureen Ann Wilson  ) Directors

Dated 27th April 1998.

The notes on pages 3 to 5 form an integral part of these financial statements.

WILSON HOMES (KILMARNOCK ) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 1997

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention.

1.2 Turnover

This represents the invoiced amounts of goods sold and services provided, net of value added tax and adjusted for work in progress.

1.3 Depreciation of intangible assets

The Company's policy is to write off goodwill evenly over its economic life.

1.4 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Motor Vehicles	- 25% reducing balance
Plant & Equipment	- 25% reducing balance
Fixtures & Fittings	- 25% reducing balance
Tenant's Improvements	- 5% reducing balance

1.5 Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, where cost comprises of basic invoice price. Work in Progress is valued at the lower of cost or net realisable value with cost including basic invoice price of relevant materials and associated labour and plant hire costs.

1.6 Foreign Currency Transactions

Foreign currency assets and liabilities are translated at the rate of exchange that ruled at the balance sheet date. Any gain or loss on exchange is included in the profit and loss account.

Foreign currency transactions are translated at the rate of exchange that ruled at that date.

1.7 Pension Contributions

The pension scheme is a defined contributions scheme and is administered by an independent insurance company. Contributions are debited to the profit and loss account in the year in which they are paid. The scheme relates to one director.

WILSON HOMES (KILMARNOCK ) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued)  
FOR THE YEAR ENDED 30TH JUNE 1997

2. INTANGIBLE FIXED ASSETS

Goodwill

£

Cost:

At 1st July 1996 and  
30th June 1997

12,500

-----

Amortisation:

At 1st July 1996

7,500

Charge for year

1,250

-----

8,750

-----

Net book value at 30th June 1997

3,750

=====

Net book value at 30th June 1996

5,000

=====

3. TANGIBLE FIXED ASSETS

Cost:

As at 1st July 1996

102,537

Additions

235

Disposals

(4,800)

-----

As at 30th June 1997

97,972

-----

Depreciation:

As at 1st July 1996

72,696

Charge for year

6,498

Disposals

(4,160)

-----

As at 30th June 1997

75,034

-----

Net Book Value at 30th June 1997

22,938

=====

Net Book Value at 30th June 1996

29,841

=====

4. SECURED CREDITORS

Secured creditors include in creditors  
amounted to

280,062

=====

714,985

=====

WILSON HOMES (KILMARNOCK ) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued)  
FOR THE YEAR ENDED 30TH JUNE 1997

5. SHARE CAPITAL

	<u>Authorised</u>	<u>1997</u>	<u>Allotted, Issued and fully paid 1996</u>
	£	£	£
Ordinary shares of £1 each	10,000	5,000	5,000
	=====	=====	=====