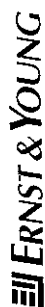


Moray Park Developments Limited

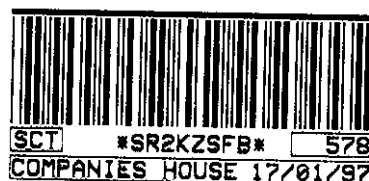
Report and Accounts

30 June 1996

Registered No. 135548

 ERNST & YOUNG

12



Moray Park Developments Limited

DIRECTORS AND OFFICERS

DIRECTORS

A Cunningham
G G M Izatt (resigned 30 June 1996)

SECRETARY

I Purslow BA, CA (resigned 10 December 1996)
H C C Jones (appointed 10 December 1996)

AUDITORS

Ernst & Young
Chartered Accountants
Ten George Street
Edinburgh
EH2 2DZ

BANKERS

Bank of Scotland
The Mound
Edinburgh

SOLICITORS

Morton Fraser Commercial
15-19 York Place
Edinburgh

REGISTERED OFFICE

15-19 York Place
Edinburgh
EH1 3EP

Moray Park Developments Limited

DIRECTORS' REPORT

The directors submit their report and the audited accounts for the period ended 30 June 1996.

PRINCIPAL ACTIVITY

The principal activity of the company is that of property development and investment.

RESULTS AND DIVIDENDS

The profit after taxation for the period was £168,295 (1994: loss £568).

TANGIBLE FIXED ASSETS

The changes during the year are shown in note 3 to the accounts.

DIRECTORS

The directors at 30 June 1996 and their interests in the share capital of the company were as follows:

	<i>Ordinary shares As at 31 December 1994 and 30 June 1996</i>
A Cunningham	100
G G M Izatt	-

AUDITORS

A resolution to appoint Ernst & Young as auditors will be proposed at the Annual General Meeting.

By order of the Board

.....
H C C Jones
H C C Jones
Secretary

13 January 1997

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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.

REPORT OF THE AUDITORS
to the members of Moray Park Developments Limited

We have audited the accounts on pages 6 to 9, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

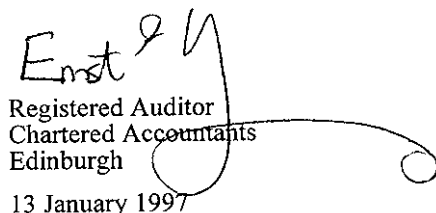
Basis of opinion

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 or other irregularity or error. 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 affairs of the company at 30 June 1996 and its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.


Registered Auditor
Chartered Accountants
Edinburgh
13 January 1997

Moray Park Developments Limited

PROFIT AND LOSS ACCOUNT for the period ended 30 June 1996

	<i>Notes</i>	<i>Period ended 30 June 1996 £</i>	<i>Year ended 31 December 1994 £</i>
TURNOVER		-	-
Cost of sales		-	-
GROSS LOSS		-	-
Administration expenses		1,255,569	737
OPERATING LOSS	2	(1,255,569)	(737)
Gain on disposal of investment property		1,456,648	-
Interest receivable		38,617	169
Interest payable		(22)	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		239,674	(568)
Taxation		71,379	-
PROFIT/(LOSS) RETAINED FOR THE FINANCIAL YEAR	6	168,295	(568)

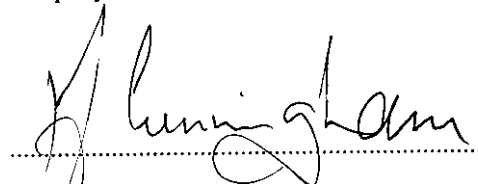
There are no recognised gains or losses other than the profit of £168,295 for the period ended 30 June 1996 (1994: £Nil).

Moray Park Developments Limited

BALANCE SHEET at 30 June 1996

	Notes	30 June 1996 £	31 December 1994 £
FIXED ASSETS			
Tangible fixed assets	3	-	3,245,821
CURRENT ASSETS			
Cash at bank and in hand		658,032	1,888
Debtors		865,748	94
		<u>1,523,780</u>	<u>1,982</u>
CREDITORS: amounts falling due within one year	4	<u>1,358,682</u>	<u>1,000</u>
NET CURRENT LIABILITIES		<u>165,098</u>	<u>982</u>
CREDITORS: amounts falling due after more than one year		-	3,250,000
TOTAL ASSETS LESS LIABILITIES		<u><u>165,098</u></u>	<u><u>(3,197)</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and loss account	6	164,998	(3,297)
EQUITY SHAREHOLDERS' FUNDS		<u><u>165,098</u></u>	<u><u>(3,197)</u></u>

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 benefits of those exemptions as a small company.


..... Director
A Cunningham

13 January 1997

Moray Park Developments Limited

NOTES TO THE ACCOUNTS at 30 June 1996

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Properties

Certain of the company's properties were held for long term investment and in accordance with Statement of Standard Accounting Practice 19 no depreciation or amortisation is provided in respect of freehold investment properties.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated the timing differences will reverse.

2. OPERATING LOSS

(a) This is stated after charging:

	<i>Period ended</i> <i>30 June</i> <i>1996</i> <i>£</i>	<i>Year ended</i> <i>31 December</i> <i>1994</i> <i>£</i>
Auditor's remuneration	2,500	500

3. TANGIBLE FIXED ASSETS

	<i>Investment properties</i> <i>£</i>
Cost	
At 1 January 1995	3,245,821
Additions	94,843
Disposals	(3,340,664)
At 30 June 1996	-

4. CREDITORS: amounts falling due within one year

	<i>Period ended</i> <i>30 June</i> <i>1996</i> <i>£</i>	<i>Year ended</i> <i>31 December</i> <i>1994</i> <i>£</i>
Sundry creditors and accruals	1,358,682	1,000

Sundry creditors include £71,379 in respect of taxation (1994: £Nil).

Moray Park Developments Limited

NOTES TO THE ACCOUNTS at 30 June 1996

5. CALLED UP SHARE CAPITAL

	<i>Authorised £</i>	<i>Allotted, called up and fully paid £</i>
Ordinary shares of £1 each	10,000,000	100

6. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<i>Profit and loss account £</i>	<i>Share capital £</i>	<i>Total £</i>
At 1 January 1995	(3,297)	100	(3,197)
Profit for the period	168,295	-	168,295
At 30 June 1996	164,998	100	165,098