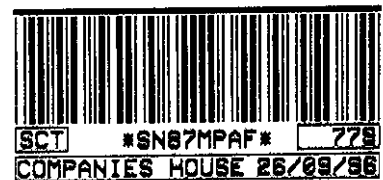


EDGEFORD LIMITED  
ABBREVIATED FINANCIAL STATEMENTS  
YEAR ENDED 31ST MARCH 1996



EDGEFORD LIMITED

DIRECTORS

M G Boni

J Boni

COMPANY SECRETARY

J Boni

REGISTERED OFFICE

45 Marlborough Street

Edinburgh, EH15 2BD

REGISTERED NUMBER

145794

SOLICITORS

Beveridge & Kellas, W.S.

52 Leith Walk

Edinburgh, EH6 6PS

BANKERS

Bank of Scotland plc

103 George Street

Edinburgh, EH2 3MR

AUDITORS

Scott Oswald

Chartered Accountants

1 Royal Terrace

Edinburgh, EH7 5AD

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YEAR ENDED 31ST MARCH 1996

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REPORT OF THE AUDITORS TO THE DIRECTORS OF EDGEFORD LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 4 to 7 together with the full financial statements of Edgeford Limited for the year ended 31st March 1996. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 to 247 of the Companies Act 1985 to deliver abbreviated financial statements for the year ended 31st March 1996 and the abbreviated financial statements set out on pages 4 to 7 have been properly prepared in accordance with Schedule 8 of that Act.

On 3rd September 1996 we reported as auditors of Edgeford Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1996 and our audit report was as follows:

"We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention (as modified by the revaluation of certain investments and fixed assets) and on the basis of 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 the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

FUNDAMENTAL UNCERTAINTY: GOING CONCERN

Continuation of the company's activities is dependent on the financial support of the bank and the directors. The financial statements have been prepared on a going concern basis which assumes that the continued financial support of the bank and the directors will be forthcoming.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31st March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

*Scott Oswald*

SCOTT OSWALD  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
EDINBURGH  
3rd September 1996

EDGEFORD LIMITED

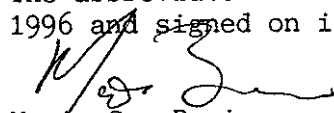
ABBREVIATED BALANCE SHEET  
31ST MARCH 1996


	NOTE	£	£	1995 £
FIXED ASSETS				
Tangible assets	1		443,154	452,510
Investments	2		-	49,996
			<u>443,154</u>	<u>502,506</u>
CURRENT ASSETS				
Debtors		8.836		5,450
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	(191,378)		(195,775)
NET CURRENT LIABILITIES			(182,542)	(190,325)
TOTAL ASSETS LESS CURRENT LIABILITIES			260,612	312,181
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	4		(63,139)	(76,110)
			<u>197,473</u>	<u>236,071</u>
Financed by:				
CAPITAL AND RESERVES				
Called-up share capital	5		2	2
Revaluation reserve			212,351	212,351
Profit and loss account			<u>(14,880)</u>	<u>23,718</u>
Shareholders funds			<u>197,473</u>	<u>236,071</u>

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

On the same grounds, advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to that Act.

The abbreviated financial statements were approved by the Board on 3rd September 1996 and signed on its behalf by

  
Mario Guy Boni  
Director

  
Janet Boni  
Director

## EDGEFORD LIMITED

### ACCOUNTING POLICIES

#### ACCOUNTING CONVENTION

The financial statements are prepared in compliance with the Companies Act 1985 and under the historical cost convention (modified to include the revaluation of investment properties).

#### FIXED ASSETS

Provision is made for the depreciation of fixed assets in order to write off the cost or valuation of these assets over their expected useful lives.

The annual depreciation rates and methods are as follows:

Investment property	- Nil
Office equipment	- 15% straight line

No depreciation is provided on investment properties as the directors consider that the properties are increasing in value.

EDGEFORD LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS  
YEAR ENDED 31ST MARCH 1996

1 TANGIBLE FIXED ASSETS

		Total
COST OR VALUATION		£
At beginning		452,600
Additions at cost		12,749
Applicable to disposals		<u>(22,000)</u>
		443,349
DEPRECIATION		
At beginning		90
Charge for the year		<u>105</u>
		<u>195</u>
NET BOOK VALUE		<u>443,154</u>
NET BOOK VALUE AT BEGINNING		<u>452,510</u>

2 INVESTMENTS

		1995
Investment in associated undertaking		
COST	£	£
At beginning	49,996	49,996
Disposals	<u>(49,996)</u>	<u>-</u>
	<u>-</u>	<u>49,996</u>
NET BOOK VALUE	<u>-</u>	<u>49,996</u>

EDGEFORD LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS  
YEAR ENDED 31ST MARCH 1996

3 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

The following secured amounts fall due within one year:

	£	1995 £
Bank loans	<u>11,616</u>	<u>8,111</u>
Bank overdraft	<u>70,566</u>	<u>125,356</u>

The bank overdraft and term loan are secured by a standard security over the property at 5 Giles Street, Edinburgh, by a bond and floating charge over all the assets of the company and by personal guarantees of the directors

Bank term loan 1 is repayable over 15 years. Interest is charged at 2.5% over base.

Bank term loan 2 is repayable over 5 years. Interest is charged at 2.5% over base.

4 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

The amount in the balance sheet includes the following secured creditors:

Bank loans	<u>63,139</u>	<u>76,110</u>
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The amount in the balance sheet includes the following amounts due after more than five years:

Bank loans	<u>32,306</u>	<u>32,382</u>
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5 SHARE CAPITAL

	£	1995 £
Authorised:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>