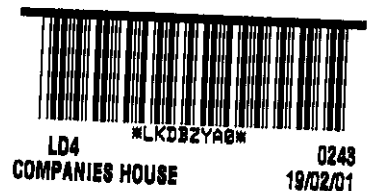


Company Registration No. 2911040 (England and Wales)



RAVEN SCOTLAND LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 APRIL 2000



GERALD EDELMAN

CHARTERED ACCOUNTANTS

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RAVEN SCOTLAND LIMITED

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RAVEN SCOTLAND LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 28 APRIL 2000

The directors present their report and financial statements for the year ended 28 April 2000.

Principal activities and review of the business

The principal activity of the company continued to be that of property development.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 29 April 1999:

A.J.G. Bilton	(Resigned 4 August 2000)
B.S. Sandhu	(Resigned 4 August 2000)
Raven Close Nominees Limited	(Appointed 4 August 2000)
Raven Management Services Limited	(Appointed 4 August 2000)

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	28 April 2000	29 April 1999
A.J.G. Bilton	-	-
B.S. Sandhu	-	-

Neither of the directors had an interest in the shares of the company during the year.

The continuing directors are also directors of the ultimate holding company, The Raven Property Group Plc, and their shareholdings in that company are disclosed in its own financial statements.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

RAVEN SCOTLAND LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 28 APRIL 2000

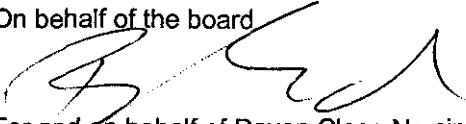
Directors' responsibilities

Company law requires the directors to prepare financial statements 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 financial statements, 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 financial statements 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 financial statements 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.

On behalf of the board



For and on behalf of Raven Close Nominees Limited

B.S. Sandhu

Director

28 November 2000

RAVEN SCOTLAND LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF RAVEN SCOTLAND LIMITED

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 April 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Gerald Edelman

Chartered Accountants
Registered Auditor

28 November 2000

25 Harley Street
London
W1G 9BR

RAVEN SCOTLAND LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 APRIL 2000

	Notes	2000 £	1999 £
Turnover	2	35,000	-
Cost of sales		(39,238)	(56,913)
Loss on ordinary activities before taxation		(4,238)	(56,913)
Tax on loss on ordinary activities	3	1,271	-
Loss on ordinary activities after taxation	7	(2,967)	(56,913)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

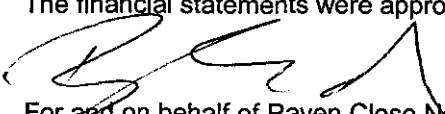
There are no recognised gains and losses other than those passing through the profit and loss account.

RAVEN SCOTLAND LIMITED

BALANCE SHEET AS AT 28 APRIL 2000

	Notes	2000 £	£	1999 £	£
Current assets					
Debtors	4	500,252		458,171	
Creditors: amounts falling due within one year	5	<u>(159,129)</u>		<u>(114,081)</u>	
Total assets less current liabilities			<u>341,123</u>		<u>344,090</u>
			<u>341,123</u>		<u>344,090</u>
Capital and reserves					
Called up share capital	6	184,346		184,346	
Profit and loss account	7	<u>156,777</u>		<u>159,744</u>	
Shareholders' funds - equity interests	8		<u>341,123</u>		<u>344,090</u>

The financial statements were approved by the Board on 28 November 2000


For and on behalf of Raven Close Nominees Limited
B.S. Sandhu
Director

RAVEN SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 APRIL 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts derived from the company's principal activity and is stated exclusive of VAT.

1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Taxation

	2000 £	1999 £
U.K. current year taxation		
Receipt in respect of group relief	(1,271)	-

4 Debtors

	2000 £	1999 £
Amounts owed by parent and fellow subsidiary undertakings	478,310	420,898
Other debtors	21,942	37,273
	<u>500,252</u>	<u>458,171</u>

5 Creditors: amounts falling due within one year

	2000 £	1999 £
Trade creditors	74,581	74,581
Corporation tax	46,048	-
Accruals and deferred income	38,500	39,500
	<u>159,129</u>	<u>114,081</u>

RAVEN SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 APRIL 2000

6	Share capital	2000 £	1999 £
	Authorised		
	184,346 Ordinary shares of £ 1 each	184,346	184,346
	Allotted, called up and fully paid		
	184,346 Ordinary shares of £ 1 each	184,346	184,346

7 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 29 April 1999	159,744
Retained loss for the year	(2,967)
Balance at 28 April 2000	156,777

8	Reconciliation of movements in shareholders' funds	2000 £	1999 £
	Loss for the financial year	(2,967)	(56,913)
	Opening shareholders' funds	344,090	401,003
	Closing shareholders' funds	341,123	344,090

9 Employees

Number of employees

There were no employees during the year apart from the directors.

10 Control

The company is a wholly-owned subsidiary of Raven Homes Plc and Raven Commercial Properties Plc, companies incorporated in Great Britain and registered in Scotland and carrying on property development and investment activities under the name of Raven Close Joint Venture. The ultimate holding company is The Raven Property Group Plc.

Throughout the year the company and its holding companies were controlled by A.J.G. Bilton.

11 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.