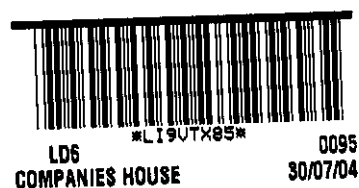


Company Registration No. 03957223 (England and Wales)

MACNIVEN & CAMERON (BRISTOL) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2003



MACNIVEN & CAMERON (BRISTOL) LIMITED

COMPANY INFORMATION

Directors	G N Tromans J Hurkett May
Secretary	C C Morse
Company number	03957223
Registered office	Ringley Park House 59 Reigate Road Reigate, Surrey RH2 0QJ
Auditors	Rushton Osborne & Co Ringley Park House 59 Reigate Road Reigate, Surrey RH2 0QJ
Business address	46 Berkeley Square London W1X 5DB

MACNIVEN & CAMERON (BRISTOL) LIMITED

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MACNIVEN & CAMERON (BRISTOL) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2003

The directors present their report and financial statements for the year ended 30 September 2003.

Principal activities

The principal activity of the company was that of property investment.

Directors

The following directors have held office since 1 October 2002:

G N Tromans
J Hurkett May

Directors' interests

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

	Ordinary shares of £ 1 each	
	30 September 2003	1 October 2002
G N Tromans	-	-
J Hurkett May	-	-

Auditors

Rushton Osborne & Co were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board


.....
C C Morse

Secretary

.....30.7.04

MACNIVEN & CAMERON (BRISTOL) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MACNIVEN & CAMERON (BRISTOL) LIMITED

We have audited the financial statements of Macniven & Cameron (Bristol) Limited on pages 3 to 8 for the year ended 30 September 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 30 September 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Rushton Osborne & Co

Chartered Accountants
Registered Auditor

Rushton Osborne & Co
30th July 2004

Ringley Park House
59 Reigate Road
Reigate, Surrey
RH2 0QJ

MACNIVEN & CAMERON (BRISTOL) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2003

	Notes	2003 £	2002 £
Turnover		14,593	32,576
Cost of sales		(245)	(70)
Gross profit		<u>14,348</u>	<u>32,506</u>
Administrative expenses		(66,732)	(21,833)
Operating (loss)/profit	2	<u>(52,384)</u>	<u>10,673</u>
Profit on sale of property		<u>152,735</u>	<u>52,303</u>
Profit on ordinary activities before interest		100,351	62,976
Other interest receivable and similar income	3	24	-
Interest payable and similar charges		(48,477)	(70,625)
Profit/(loss) on ordinary activities before taxation		<u>51,898</u>	<u>(7,649)</u>
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(loss) on ordinary activities after taxation	10	<u><u>51,898</u></u>	<u><u>(7,649)</u></u>

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.

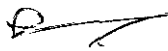
MACNIVEN & CAMERON (BRISTOL) LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	5 and 6		1,120,353		1,346,151
Current assets					
Debtors	7	9,892		13,152	
Cash at bank and in hand		1,216		4,366	
		11,108		17,518	
Creditors: amounts falling due within one year	8	(1,088,211)		(1,372,317)	
Net current liabilities			(1,077,103)		(1,354,799)
Total assets less current liabilities			43,250		(8,648)
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account	10		43,249		(8,649)
Shareholders' funds - equity interests	11		43,250		(8,648)

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

The financial statements were approved by the Board on 30.7.03


.....
G N Tromans
Director

MACNIVEN & CAMERON (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Fixtures, fittings & equipment 15% straight line

Investment properties, which are in the process of being redeveloped, are included in the balance sheet at cost. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

2 Operating (loss)/profit	2003	2002
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	1,117	-
Auditors' remuneration	1,500	1,000
	<u> </u>	<u> </u>
3 Investment income	2003	2002
	£	£
Bank interest	2	-
Other interest	22	-
	<u> </u>	<u> </u>
	24	-
	<u> </u>	<u> </u>

MACNIVEN & CAMERON (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

4 Taxation

Current tax charge

-

Factors affecting the tax charge for the year

Profit/(loss) on ordinary activities before taxation

51,898 (7,649)

Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002: 19.50%)

9,861 (1,492)

Effects of:

Depreciation

212 -

Capital allowances

(354) -

Tax losses utilised

(9,719) 1,492

(9,861) 1,492

Current tax charge

-

On the basis of these financial statements no provision has been made for corporation tax.

5 Tangible fixed assets

Plant and
machinery etc

£

Cost

At 1 October 2002

-

Additions

7,450

At 30 September 2003

7,450

Depreciation

At 1 October 2002

-

Charge for the year

1,117

At 30 September 2003

1,117

Net book value

At 30 September 2003

6,333

MACNIVEN & CAMERON (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

6 Tangible fixed assets

	Investment properties £
Cost	
At 1 October 2002	1,346,151
Additions	279,897
Disposals	(512,028)
	<u>1,114,020</u>
At 30 September 2003	<u>1,114,020</u>

7 Debtors	2003 £	2002 £
Trade debtors	1,717	-
Other debtors	8,175	13,152
	<u>9,892</u>	<u>13,152</u>

8 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	476,622	945,242
Trade creditors	52,275	4,582
Amounts owed to group undertakings and undertakings in which the company has a participating interest	535,714	418,981
Taxation and social security	16,200	-
Other creditors	7,400	3,512
	<u>1,088,211</u>	<u>1,372,317</u>
Debt due in one year or less	<u>476,622</u>	<u>945,242</u>

The bank loan of £476,622 is secured by a debenture to incorporate a floating charge and an unlimited first fixed legal charge over the properties, including an equitable assignment over the rental income derived from the properties.

MACNIVEN & CAMERON (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

9	Share capital	2003	2002
		£	£
	Authorised		
	10,000 Ordinary shares of £1 each	10,000	10,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	1 Ordinary shares of £1 each	1	1
		<u> </u>	<u> </u>
10	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 October 2002		(8,649)
	Retained profit for the year		51,898
			<u> </u>
	Balance at 30 September 2003		43,249
			<u> </u>
11	Reconciliation of movements in shareholders' funds	2003	2002
		£	£
	Profit/(Loss) for the financial year	51,898	(7,649)
	Opening shareholders' funds	(8,648)	(999)
		<u> </u>	<u> </u>
	Closing shareholders' funds	43,250	(8,648)
		<u> </u>	<u> </u>

12 Control

The ultimate parent company is Macniven & Cameron PLC, a company registered in Scotland.

13 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.