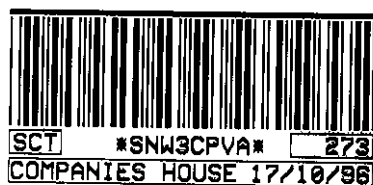


Company Registered Number: 80212

CAIRD TRADING LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1995

05



CAIRD TRADING LIMITED

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 1995.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company operated as a property investment company and an investment company.

RESULTS AND DIVIDEND

Results for the year are set out in the Profit and Loss Account on page 4. No dividend is proposed (1994 - £nil).

INDEMNITY INSURANCE

Caird Group PLC maintains an insurance policy which provides for indemnity cover for directors of the company up to certain limits.

DIRECTORS

The directors of the company during the year were:

C.J.M.Parker (resigned 30 June 1995)

D.R.Flynn

P.M. Coburn (appointed 30 June 1995)

DIRECTORS' INTERESTS

The directors had no beneficial interests in the share capital of the company.

The beneficial interests in the ordinary shares of Caird Group PLC of those persons who were directors of the company at the year end but not directors of Caird Group PLC were as follows:

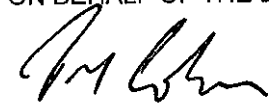
	<u>Ordinary shares</u>		<u>Share options</u>	
	31 December		31 December	
	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>
	Number	Number	Number	Number
D.R.Flynn	-	-	50,000	50,000
P.M. Coburn	-	-	-	-

Following the financial reconstruction completed on 13 March 1996, all options in respect of ordinary shares will be adjusted in accordance with the conversion of ordinary shares into new ordinary shares as outlined in the restructuring proposals.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

ON BEHALF OF THE BOARD



P.M. COBURN
DIRECTOR

15 October 1996

CAIRD TRADING LIMITED

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the accounts comply with the above requirements.

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, ERNST & YOUNG,

TO THE MEMBERS OF

CAIRD TRADING LIMITED

We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention and on the basis of 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 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.

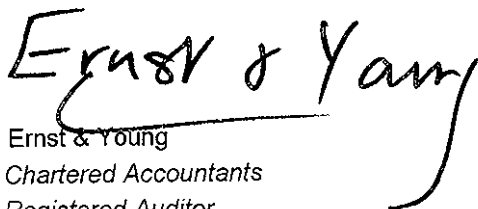
Basis of opinion

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 as at 31 December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young
Chartered Accountants
Registered Auditor

Liverpool

15 October 1996

CAIRD TRADING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1995

	Notes	<u>1995</u>	<u>1994</u>
		£	£
Turnover			
Continuing operations		-	-
Administration costs		(2,581)	(2,281)
Operating loss			
Continuing operations	2	(2,581)	(2,281)
Tax on loss on ordinary activities	4	-	751
Loss for the financial year		<u>(2,581)</u>	<u>(1,530)</u>

There were no recognised gains or losses other than the loss for the year.

Movements on reserves are set out in note 9.

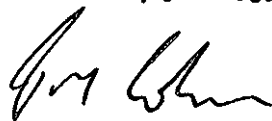
CAIRD TRADING LIMITED

BALANCE SHEET

AT 31 DECEMBER 1995

	Notes	1995	1994
		£	£
ASSETS EMPLOYED			
Current assets			
Disposal assets	5	302,988	300,267
Debtors	6	812,911	813,095
		<u>1,115,899</u>	<u>1,113,362</u>
 Creditors : amounts falling due within one year			
	7	<u>(1,097,594)</u>	<u>(1,092,476)</u>
Net current assets		18,305	20,886
 Total assets less current liabilities			
		<u>18,305</u>	<u>20,886</u>
 FINANCED BY			
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account	9	17,305	19,886
Equity shareholders' funds	10	<u>18,305</u>	<u>20,886</u>

These accounts were approved by the Board of Directors and signed on their behalf on *15 October 1996*



.....
P.M. COBURN

CAIRD TRADING LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1995

1. ACCOUNTING POLICIES

(a) Accounting Convention

The accounts have been prepared under the historical cost convention, and in accordance with Applicable Accounting Standards. The principal accounting policies, which are applied consistently throughout the Caird Group are as follows:

(b) Turnover

Turnover, all of which occurred in the United Kingdom, represents revenue from sale of investments.

There were no acquisitions or discontinued operations in the year.

(c) Depreciation

In accordance with SSAP 19, investment properties are carried at open market value as determined by the directors of the company.

(d) Cashflow Statement

The company is exempt from the requirement to include a cashflow statement in these accounts as it is a wholly owned subsidiary of Caird Group PLC, whose consolidated accounts include a cashflow statement dealing with the cash flows of the group.

2. LOSS FOR THE YEAR

	<u>1995</u>	<u>1994</u>
	£	£
Operating loss is stated after charging :		
Auditors' remuneration	-	-
(charged to the holding company for the whole group)	<u> </u>	<u> </u>

3. DIRECTORS' REMUNERATION

The directors received no remuneration during the year for their services as directors (1994 - £nil).

CAIRD TRADING LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1995

(continued)

4	<u>TAXATION</u>	1995	1994
		£	£

The tax credit may be analysed as follows :

Group relief		
- current year	-	(751)
	-	(751)

The credit for group relief represents consideration due from group undertakings in respect of tax losses surrendered.

5 **DISPOSAL ASSETS**

Arising from the strategic review undertaken during 1993 and a further review in 1995 certain fixed assets have been designated surplus to requirements in view of their non income producing status or lack of development. These assets are held for disposal and on such designation are transferred to the category of Disposal Assets on the balance sheet.

6	<u>DEBTORS</u>	1995	1994
		£	£
	Amounts owed by parent and fellow subsidiary undertakings	809,820	809,820
	Group relief	1,970	1,970
	Prepayments	1,121	1,305
		<u>812,911</u>	<u>813,095</u>

CAIRD TRADING LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1995

(continued)

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1995</u>	<u>1994</u>
	£	£
Amounts owed to parent and fellow subsidiary undertakings	<u>1,097,594</u>	<u>1,092,476</u>

8 CALLED UP SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Authorised, allotted, called up and fully paid: 1000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9 RESERVES

	<u>Profit and loss account</u>
	£
At 1 January 1995	19,886
Loss for the year	<u>(2,581)</u>
At 31 December 1995	<u>17,305</u>

10 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	<u>1995</u>	<u>1994</u>
	£	£
Opening shareholders' funds	20,886	22,416
Loss for the year	<u>(2,581)</u>	<u>(1,530)</u>
Closing shareholders' funds	<u>18,305</u>	<u>20,886</u>

11 CONTINGENT LIABILITIES

All properties and assets are charged for the Caird Group under cross-guarantees and debentures in favour of a bank.

12 ULTIMATE HOLDING COMPANY

The company's parent and ultimate holding company is Caird Group PLC, a company registered in Scotland.

Copies of the Group Accounts are available from North Road,
Ellesmere Port, South Wirral, L65 1AE.