

LARSEN & ROSS (PROPERTIES) LIMITED
(REGISTERED IN SCOTLAND NUMBER 80392)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2001



LARSEN & ROSS (PROPERTIES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST OCTOBER 2001

DIRECTORS B.W. LARSEN
 S.F.R. ROSS

SECRETARY A.D. MOFFAT

REGISTERED OFFICE 13A ALVA STREET, EDINBURGH, EH2 4PH

RESULTS AND DIVIDENDS

The directors submit the audited financial statements of the company for the year ended 31st October 2001. The result for the year is as shown in the Profit and Loss Account. The directors do not propose the payment of a dividend.

REVIEW OF THE BUSINESS

The company continues to trade as property developers.

FUTURE PROSPECTS

The directors intend that the company will continue its current activity.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the year and their interests in the share capital of the company are as follows:

	At 31st October 2001	2000
B.W. Larsen	1	1
S.F.R. Ross	1	1

LARSEN & ROSS (PROPERTIES) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST OCTOBER 2001

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 and loss of the company for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Financial Reporting Standard for Smaller Entities has been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 of fraud and other irregularities.

AUDITORS

The accounts for the year have not been audited as the directors have claimed exemption under the Audit Exemption Regulations 2000.

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

A.D. MOFFAT
SECRETARY

22 August 2002

LARSEN & ROSS (PROPERTIES) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER 2001

	Note	2001 £	2000 £
Turnover	2	-	10,000
Cost of Sales		-	(33,874)
Gross (loss)/profit		-	(23,874)
Administrative expenses		11,180	2,937
Operating loss	3	(11,180)	(26,811)
Profit on sale of fixed assets	4	-	149,598
Interest payable and similar charges	5	(4,853)	(12,748)
Interest received	6	276	515
(Loss)/profit from Ordinary Activities Before Taxation		(15,757)	110,554
Taxation	7	112	-
(Loss)/Profit from Ordinary Activities After Taxation		(15,869)	110,554
Retained profits brought forward		194,788	84,234
Retained profits carried forward		178,919	194,788

CONTINUING ACTIVITIES

During the year the company continued to trade as property developers, the results of which are contained in the above Profit and Loss Account. The company has no other acquired or discontinued operations during the year.

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the result for the above financial year.

LARSEN & ROSS (PROPERTIES) LIMITED

BALANCE SHEET

AT 31ST OCTOBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Investments	8	2	2
CURRENT ASSETS			
Stock	9	62,354	56,223
Debtors	10	118,328	308,960
Cash and bank and in hand		883	-
		<hr/> 181,565	<hr/> 365,183
CREDITORS			
Amounts falling due within one year	11	2,646	170,395
NET CURRENT ASSETS		<hr/> 178,919	<hr/> 194,788
NET ASSETS		<hr/> 178,921	<hr/> 194,790
CAPITAL AND RESERVES			
Share capital	12	2	2
Profit and loss account		178,919	194,788
		<hr/> 178,921	<hr/> 194,790

For the year ended 31 October 2001 the company was entitled to exemption under section 249A(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2)

The directors acknowledge their responsibility for:

- i) Ensuring the company keeps accounting records which comply with section 221; and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to the accounts, so far as applicable to the company.

The 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 on pages 3 to 6 were approved by the Board of Directors on 22 August 2002, and were signed on its behalf by:

A. Frank. N

DIRECTOR

LARSEN & ROSS (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST OCTOBER 2001

1. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements are prepared under the historical cost convention.

b) Stock

Stock is valued at the lower of cost and net realisable value

c) Deferred taxation

Provision is made for deferred taxation, using the liability method, on short term timing differences and all other material timing differences which are not expected to continue in the future.

2. TURNOVER

	2001 £	2000 £
Rental Income	-	10,000
	<hr/>	<hr/>

3. OPERATING LOSS is stated after charging

Depreciation of tangible fixed assets	-	869
Provision to reduce stock to net realisable value	-	33,874
Directors remuneration	-	-
	<hr/>	<hr/>

4. PROFIT ON SALE OF FIXED ASSETS

Profit on sale of fixed assets	-	149,598
	<hr/>	<hr/>

5. INTEREST PAYABLE AND SIMILAR CHARGES

Interest Payable	4,853	12,748
	<hr/>	<hr/>

6. INTEREST RECEIVABLE

Interest received on late payment of rent	276	515
	<hr/>	<hr/>

7. TAXATION

U.K. Corporation tax	-	-
Adjustment to previous year	112	-
	<hr/>	<hr/>
	112	-
	<hr/>	<hr/>

LARSEN & ROSS (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST OCTOBER 2001

8. INVESTMENTS	2001 £	2000 £
Shares in subsidiary company	2	2

The subsidiary company is Inverness Developments Limited a company registered in Scotland. The subsidiary company is wholly owned and commenced trading during the year as builders. During the year the subsidiary company did not incur a profit or a loss and as at 31 October 2001 had net assets of £2.

9. STOCK	2001 £	2000 £
Development costs	62,354	56,223

10. DEBTORS

Amount due from subsidiary company	-	184,998
Amount due from related company	118,328	123,962
	118,328	308,960

11. CREDITORS - amounts falling due within one year

Bank overdraft	2,033	160,669
Accrued charges	611	9,726
Amount due to subsidiary company	2	-
	2,646	170,891

12. SHARE CAPITAL

	Authorised 2001 & 2000 £	Allotted, Called up and fully paid 2001 & 2000 £
Ordinary shares of £1 each	100	2

13. PARTICULARS OF TRANSACTIONS INVOLVING DIRECTORS

During the year Larsen and Ross Limited repaid £5,634 of the balance due from them. At 31 October 2001 the balance due from Larsen and Ross Limited was £118,328 (2000 £123,962). Both directors have an interest in the share capital of Larsen and Ross Limited.