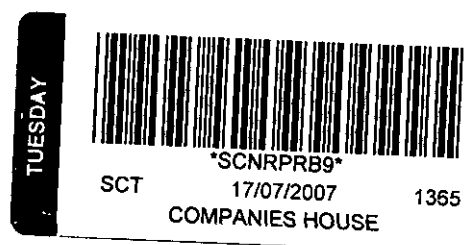


**SALTIRE DEVELOPMENTS LIMITED**  
**NON TRADING FINANCIAL STATEMENTS**

**As at 31 December 2006**



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# SALTIRE DEVELOPMENTS LIMITED

## DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 December 2006

### Principal activities and review of business

The company did not trade during the year

The directors have recommended the following dividends

	2006 £	2005 £
Dividends paid on ordinary shares		344,317
	=====	=====

### Directors and their interests

The directors who served the company during the year and their beneficial interests in the share capital of the company were as follows

Ordinary shares of £1 each  
2006      2005

A Gray Muir  
A M Gray Muir

The Directors are also directors of Sundial Holdings Limited, the parent company. Their interests in the share capital of Sundial Holdings Limited are disclosed in the financial statements of that company.

### Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

The directors confirm that

- as far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**SALTIRE DEVELOPMENTS LIMITED**

**DIRECTORS' REPORT *(continued)***

**Auditors**

The company has passed a resolution to dispense with the requirement to re appoint auditors annually

**BY ORDER OF THE BOARD**

**ANDREW GRAY MUIR**  
**Secretary**



25<sup>th</sup> April 2007

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
SALTIRE DEVELOPMENTS LIMITED**



We have audited the financial statements of Saltire Developments Limited for the year ended 31 December 2006 set out on pages 4 to 5. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders/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 shareholders/members those matters we are required to state to them in an auditors' 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 shareholders/members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 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 International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*Chiene + Tait*

**CHIENE + TAIT**  
Chartered Accountants and Registered Auditors  
61 Dublin Street  
Edinburgh EH3 6NL

13 July 2007

# SALTIRE DEVELOPMENTS LIMITED

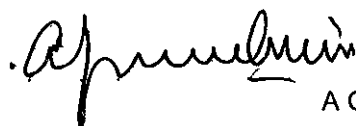
## BALANCE SHEET

As at 31 December 2006

	Notes	2006 £	2005 £
<b>Current assets</b>			
Debtors	1	50,100 =====	50,100 =====
<b>Capital and reserves</b>			
Called up share capital	2	50,100	50,100
Profit and loss account			
<b>Equity shareholder's funds</b>		50,100 =====	50,100 =====

No separate profit and loss account has been presented as the company did not trade during the year

Approved by the Board of Directors and signed on it's behalf by



A Gray Muir

Director

25<sup>th</sup> April 2007

The notes on page 5 form part of these financial statements

**SALTIRE DEVELOPMENTS LIMITED**

**NOTES to the DORMANT FINANCIAL STATEMENTS**

**As at 31 December 2006**

<b>1 Debtors</b>	<b>2006</b>	<b>2005</b>
	£	£
Sundial Properties (Gilmerton) Limited	50,100	50,100
	=====	=====
<b>2 Called up share capital</b>		
<b>Authorised</b>	<b>2006</b>	<b>2005</b>
	£	£
99,940 "A" shares of £1 each	99,940	99,940
60 "B" shares of £1 each	60	60
	100,000	100,000
	=====	=====
<b>Allotted, called up and fully paid</b>	<b>2006</b>	<b>2005</b>
	£	£
50,040 "A" Shares of £1 each	50,040	50,040
60 "B" Shares of £1 each	60	60
	50,100	50,100
	=====	=====
<b>3. Reconciliation of movement in shareholders' funds</b>	<b>2006</b>	<b>2005</b>
	£	£
Dividends paid		(344,317)
Opening shareholders' funds	50,100	394,417
Closing shareholders' funds	50,100	50,100
	=====	=====

**4 Ultimate parent undertaking**

The ultimate parent undertaking is Sundial Holdings Limited, a company incorporated in Scotland. Copies of the financial statements of that company are available from 89 Ravenscroft Street, Edinburgh, EH17 8QS