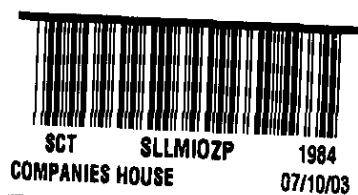


**Blackridge Properties Limited**

Directors' report and financial statements

Registered number 159415

31 March 2003



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## Directors' report

The directors present their annual report and financial statements for the year ended 31 March 2003.

### Principal activity

The company is a property investment company.

### Business review

During the year, the company made a profit after tax of £178,000 (2002: £80,000). The directors do not recommend the payment of a dividend.

### Directors

The directors of the company during the year and their shareholdings were as follows:

	At 31 March 2002 and 31 March 2003 Ordinary shares of £1 each No
IM Anderson	1
DG Anderson	1

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



AM Stewart  
Secretary

Carrick House  
40 Carrick Street  
Glasgow  
G2 8DA

16 June 2003

## Statement of 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 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;
- state whether applicable accounting standards have 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



24 Blythswood Square  
Glasgow  
G2 4QS  
United Kingdom

## **Report of the independent auditors to the members of Blackridge Properties Limited**

We have audited the financial statements on pages 4 to 9.

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 directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

### **Basis of audit 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 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink that reads 'KPMG LLP'.

**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditors*

18 June 2003

**Profit and loss account**  
*for the year ended 31 March 2003*

	<i>Note</i>	<b>2003</b> <b>£000</b>	<b>2002</b> <b>£000</b>
<b>Turnover</b>	<b>2</b>	<b>538</b>	<b>160</b>
Other operating charges		(40)	(8)
<b>Operating profit</b>		<b>498</b>	<b>152</b>
Interest payable and similar charges	<b>3</b>	(232)	(47)
<b>Profit on ordinary activities before taxation</b>		<b>266</b>	<b>105</b>
Tax on profit on ordinary activities	<b>5</b>	(88)	(25)
<b>Profit on ordinary activities after taxation and for the financial year</b>	<b>11</b>	<b>178</b>	<b>80</b>

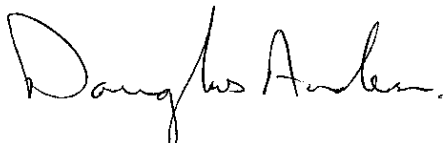
The company made no acquisitions and had no discontinued operations during the year.

No gains or losses have been recognised in either year other than as disclosed above.

**Balance sheet**  
*at 31 March 2003*

	Note	2003 £000	2002 £000
<b>Fixed assets</b>			
Tangible fixed assets	6	4,508	3,515
<b>Current assets</b>			
Debtors	7	343	27
Cash at Bank		62	-
		<u>405</u>	<u>27</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(792)</u>	<u>(3,265)</u>
<b>Net current liabilities</b>		<u>(387)</u>	<u>(3,238)</u>
<b>Total assets less current liabilities</b>		<u>4,121</u>	<u>277</u>
<b>Creditors: amounts falling due after more than one year</b>	9	<u>(3,666)</u>	<u>-</u>
<b>Net assets</b>		<u>455</u>	<u>277</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account	11	455	277
<b>Equity shareholders' funds</b>		<u>455</u>	<u>277</u>

These financial statements were approved by the board of directors on 16 June 2003 and were signed on its behalf by:



**Douglas Anderson**  
Director



**Iain Anderson**  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable UK accounting standards and under the historical cost accounting rules, modified to include the revaluation of investment properties.

#### *Investment properties*

In accordance with Statement of Standard Accounting Practice No. 19,

- i investment properties are revalued annually at open market values. All surpluses and deficits arising on valuation are taken directly to revaluation reserve except that any permanent diminution in the value of an investment property is taken to the profit and loss account for the year; and
- ii no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

This treatment, as regards certain of the company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

At the current time the directors are satisfied that cost and market value are not materially different.

### 2 Turnover

Turnover represents amounts invoiced to tenants for rent of properties (excluding value added tax).

### 3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following:

	2003 £000	2002 £000
Interest payable on bank loans and overdrafts	232	47

### 4 Directors' emoluments

No payments were made to directors during either year.



**Notes (continued)**

**5 Tax on profit on ordinary activities**

*(a) Tax charge*

	2003 £000	2002 £000
UK corporation tax:		
Current year	81	25
Prior year	7	-
	<u>88</u>	<u>25</u>

*(b) Reconciliation of tax charge*

	2003 £000	2002 £000
Profit on ordinary activities before tax	266	105
Current tax at 30%	80	31
Effects of:		
Disallowable expenditure	1	1
Marginal relief	-	(7)
Prior year adjustment	7	-
	<u>88</u>	<u>25</u>

**6 Tangible fixed assets**

	Investment properties £000
<i>Cost</i>	
At 31 March 2002	3,515
Additions	1,243
Disposals	(250)
At 31 March 2003	<u>4,508</u>

**7 Debtors**

	2003 £000	2002 £000
Trade debtors	327	-
Other debtors	16	27
	<u>343</u>	<u>27</u>

**Notes (continued)**

**8 Creditors: amounts falling due within one year**

	2003 £000	2002 £000
Bank loans and overdraft (see note 9)	669	3,053
Accruals and deferred income	35	186
Corporation tax	88	25
Other creditors	-	1
	<u>792</u>	<u>3,265</u>

**9 Creditors: amounts falling due after more than one year**

	2003 £000	2002 £000
Bank loans due:		
Between 1-2 years	182	-
Within 2-5 years	746	-
Over five years	2,738	-
	<u>3,666</u>	<u>-</u>

The bank loans and overdraft are secured by legal charges over the properties.

**10 Share capital**

	2003 £	2002 £
<i>Authorised</i>		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

**Notes (continued)**

**11 Reserves**

	Profit and loss account £000
Brought forward	277
Profit for the year	178
	<hr/>
At 31 March 2003	455
	<hr/>

**12 Directors' interests in contracts**

The rent received during for the year from GAP Group Limited, a company partly owned by IM and DG Anderson, was £448,000 (2002: £113,000).

**13 Related party transactions**

The company sold property at an open market value of £250,000 to A & A Properties, a partnership in which DG Anderson and IM Anderson have a material interest.

**14 Cash flow statement**

Companies which are entitled to the exemption available in Sections 246 to 249 of the Companies Act 1985 for small companies are granted exemption by FRS1 from the requirement to prepare a cash flow statement, provided that certain conditions are met. Blackridge Properties Limited, is such a company and, accordingly, a cash flow statement has not been prepared.