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**Park Lane Caledonian Group Limited**  
Financial statements  
For the year ended 30 September 2003

Grant Thornton 



**Company No. SC174456**

## Company information

<b>Company Registration Number</b>	SC174456
<b>Registered Office</b>	87 Port Dundas Road Cowcaddens Glasgow G4 0HF
<b>Directors</b>	B J Clarke D S Robinson
<b>Secretary</b>	D S Robinson
<b>Solicitors</b>	Anderson Fyfe 72 Gordon Street Glasgow G1 3RN  Miller Samuel 5 Renfield Street Glasgow G2 5EZ  Semple Fraser 130 St Vincent Street Glasgow G2 5HF
<b>Auditors</b>	Grant Thornton Chartered Accountants Registered Auditors 95 Bothwell Street Glasgow G2 7JZ

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## Report of the directors

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

### **Principal activities and business review**

The company operates principally as a holding company.

There was a loss for the year after taxation amounting to £34,028 (2002 profit : £59,055). On the directors recommendation a dividend of £36,975 was paid on the ordinary shares in respect of the year ended 30 September 2003 (2002: £100).

### **Directors**

The directors who served the company during the year were as follows:

B J Clarke  
D S Robinson

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

### **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 at the end of the year and of the profit or loss for the year then ended. 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

**Small company provisions**

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

BY ORDER OF THE BOARD

  
D S Robinson  
Secretary

27 January 2004

## Report of the independent auditors to the members of Park Lane Caledonian Group Limited

We have audited the financial statements of Park Lane Caledonian Group Limited for the year ended 30 September 2003 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 13. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under 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 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 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 report of the directors and the financial statements in accordance with United Kingdom law and accounting standards 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 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 other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

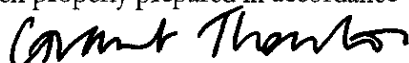
**Basis of opinion**

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 affairs of the company as at 30 September 2003 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS

27 January 2004

## Principal accounting policies

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). The principal accounting policies of the company have remained unchanged from the previous period and are set out below.

### **Consolidation**

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEC and in accordance with section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

### **Fixed assets**

All fixed assets are initially recorded at cost.

### **Deferred taxation**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

### **Investments**

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.



## Profit and loss account

	Note	2003 £	2002 £
Turnover		—	—
Other operating charges	1	58	10,031
Other operating income	1	(424,081)	(409,779)
<b>Operating profit</b>	2	<b>424,023</b>	<b>399,748</b>
Income from fixed asset investments	3	160,000	—
Interest receivable		25,697	91,014
Interest payable and similar charges		(674,081)	(409,779)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(64,361)</b>	<b>80,983</b>
Tax on (loss)/profit on ordinary activities		(67,308)	21,928
<b>(Loss)/profit on ordinary activities after taxation</b>		<b>2,947</b>	<b>59,055</b>
Equity dividends proposed	4	36,975	100
<b>(Loss)/retained profit for the financial year</b>		<b>(34,028)</b>	<b>58,955</b>

The accompanying notes form part of these financial statements.

## Balance sheet

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Investments	5	<u>2,970</u>	<u>2,970</u>
<b>Current assets</b>			
Debtors	6	3,635,462	2,899,307
Cash at bank		<u>40,194</u>	<u>579,461</u>
		3,675,656	3,478,768
<b>Creditors: amounts falling due within one year</b>	7	<u>180,497</u>	<u>262,964</u>
<b>Net current assets</b>		<u>3,495,159</u>	<u>3,215,804</u>
<b>Total assets less current liabilities</b>		<u>3,498,129</u>	<u>3,218,774</u>
<b>Creditors: amounts falling due after more than one year</b>	8	<u>3,356,478</u>	<u>3,043,095</u>
		<u>141,651</u>	<u>175,679</u>
<b>Capital and reserves</b>			
Called-up equity share capital	12	2,958	2,958
Other reserves		443	443
Profit and loss account		<u>138,250</u>	<u>172,278</u>
<b>Shareholders' funds</b>		<u>141,651</u>	<u>175,679</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on 27 January 2004 and are signed on their behalf by:

B J Clarke

D S Robinson




**The accompanying notes form part of these financial statements.**

**1 Other operating income and charges**

	2003	2002
	£	£
Administrative expenses	58	10,031
Management charges	(424,081)	(409,779)
	<u>(424,023)</u>	<u>(399,748)</u>

**2 Operating profit**

Operating profit is stated after charging:

	2003	2002
	£	£
Directors' emoluments	<u>-</u>	<u>-</u>

**3 Income from fixed asset investments**

	2003	2002
	£	£
Income from other fixed asset investments	<u>160,000</u>	<u>-</u>

Fixed asset investment income relates to dividends received from subsidiary undertakings.

**4 Dividends**

	2003	2002
	£	£
Equity dividends on ordinary shares	36,975	-
Ordinary shares - dividend in specie	<u>-</u>	<u>100</u>

**5 Investments**

	Shares in group undertakings £
Cost	
At 1 October 2002 and 30 September 2003	<u>2,970</u>
Net book value	
At 30 September 2003	<u>2,970</u>
At 30 September 2002	<u>2,970</u>

At 30 September 2003 the company held 100% of the allotted share capital of the following undertakings:

	Country of registration	Class of share capital held	Proportion held	Nature of business
Park Lane Rented Homes Limited	Scotland	Ordinary	100%	Property Investment
Park Lane Rented Homes (Scotland) Ltd	England	Ordinary	100%	Property Investment
Park Lane Developments Limited	Scotland	Ordinary	100%	Property Development
Park Lane City Limited (formerly Park Lane Developments (East) Limited)	Scotland	Ordinary	100%	Dormant
Park Lane Investments (Fenwick Road) Limited (formerly Crow Road Properties (Glasgow) Limited)	Scotland	Ordinary	100%	Dormant

**6 Debtors**

	2003 £	2002 £
Amounts owed by group undertakings	<u>3,635,462</u>	<u>2,899,307</u>

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

	2003 £	2002 £
Amounts owed to group undertakings	180,497	255,652
Corporation tax	-	7,312
	<u>180,497</u>	<u>262,964</u>

There is a corporate cross guarantee for all sums due between P L Holdings Limited group companies.

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

	2003	2002
	£	£
Other creditors	<u>3,356,478</u>	<u>3,043,095</u>

Loan notes amounting to £3,250,000 are redeemable partially in December 2004 with the remainder being due in December 2005. The loan notes are disclosed above as £3,356,478, net of arrangement fees of £143,522 which are amortised to the profit and loss account over the period of the loan notes.

Also included in the total balance of £3,356,478 is £250,000 which is one third of a £750,000 redemption fee being charged to the profit and loss account over the remaining period of the loan.

**9 Capital Commitments**

The company had no capital commitments at 30 September 2003 or 30 September 2002.

**10 Contingent liabilities**

There were no contingent liabilities at 30 September 2003 or 30 September 2002.

**11 Related party transactions**

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 "Related Parties" in not disclosing transactions with other companies in the PL Holdings Limited Group companies.

**12 Share capital**

Authorised share capital:

	2003	2002
	£	£
100,000,000 Ordinary shares of £1 each	<u>100,000,000</u>	<u>100,000,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>2,958</u>	<u>2,958</u>	<u>2,958</u>	<u>2,958</u>

**13 Ultimate parent company**

The directors consider that the ultimate parent undertaking of this company is P L Holdings Limited, a company registered in Scotland. The registered office of P L Holdings is 87 Port Dundas Road, Cowcaddens, Glasgow, G4 0HF. Copies of the P L Holdings Group accounts can be obtained from this address.