

Company Registration Number SC180488

AMOVA LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2005



AMOVA LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

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AMOVA LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

M D Clarke
J C Lamont

Company Secretary

M J McGrath

Registered Office

Head Office
Weatherhouse
Bowhill
Selkirk
TD7 5ES

Auditors

Chiene & Tait
61 Dublin Street
Edinburgh
EH3 6NL

AMOVA LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2005

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2005.

Principal activities

The principal activities of the company during the year were trading in and development of property.

Events during the year

On 3 December 2004 155,000 ordinary shares of £1 were issued in exchange for the entire issued share capital of Sedserio Limited. Further details are given at note 9 to the financial statements. The business of Sedserio Limited together with its assets and liabilities were "hived up" to Amova Limited on 31 January 2005 via an inter-company loan. Sedserio Limited has waived repayment of this loan and Amova Limited has written off its liability and therefore the cost of its investment in Sedserio Limited.

The directors and their interests in the shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2005	At 1 April 2004
M D Clarke	-	-
J C Lamont	-	-

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, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.


Auditors

A resolution to re-appoint Chiene & Tait, CA as auditors for the ensuing year will be proposed at the annual general meeting 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.

Signed by order of the directors



M J McGrath
Company Secretary

Approved by the directors on 13/11/06.



AMOVA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2005

We have audited the financial statements on pages 4 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 6.

This report is made solely to the company's shareholders, 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 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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 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 the company's affairs as at 31 March 2005 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

CHIENE & TAIT, CA
Registered Auditors
61 Dublin Street
Edinburgh
EH3 6NL

18th January 2006

AMOVA LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2005

	Note	2005 £	2004 £
Turnover		251,370	270,922
Cost of sales		—	—
Gross profit		251,370	270,922
Administrative expenses		15,220	13,896
Operating profit		236,150	257,026
Interest receivable		5,316	1,336
Loan from subsidiary undertaking waived	4	248,092	—
Write down of investment in subsidiary undertaking	4	(155,000)	—
		334,558	258,362
Interest payable		(150,555)	(96,698)
Profit on ordinary activities before taxation		184,003	161,664
Tax on profit on ordinary activities	3	18,672	31,316
Retained profit for the financial year		165,331	130,348
Balance brought forward		268,099	137,751
Balance carried forward		433,430	268,099

A statement of recognised gains and losses is not shown as all gains and losses are recognised in the profit and loss account.

The notes on pages 6 to 7 form part of these financial statements.

AMOVA LIMITED

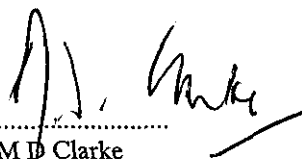
BALANCE SHEET

31 MARCH 2005

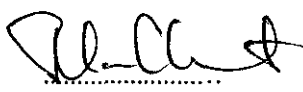
	Note	£	2005 £	2004 £
Fixed assets				
Investments	4		-	-
			-	-
Current assets				
Stocks	5	3,633,080		3,422,326
Debtors	6	16,669		97,249
Cash at bank		139,233		74,117
		3,788,982		3,593,692
Creditors: amounts falling due within one year	7	2,890,552		1,253,593
Net current assets			898,430	2,340,099
Total assets less current liabilities			898,430	2,340,099
Creditors: amounts falling due after more than one year	8		-	1,762,000
			898,430	578,099
Capital and reserves				
Called-up equity share capital	9		465,000	310,000
Profit and loss account			433,430	268,099
Shareholders' funds			898,430	578,099

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 the 13/1/06 and are signed on their behalf by:



 M D Clarke



 J C Lamont

The notes on pages 6 to 7 form part of these financial statements.

AMOVA LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2005****1. 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).

Turnover

Turnover represents rental income receivable and where appropriate the sale of properties.

Fixed assets

All fixed assets are initially recorded at cost.

Stocks

Stock is valued at the lower of cost and net realisable value. Cost includes property costs and net realisable value is based on estimated selling price less estimated costs of disposal.

Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences.

2. Directors' remuneration

The directors received no remuneration in the year (2004: £Nil)

3. Tax on profit on ordinary activities

	2005 £	2004 £
Based on the results for the year:		
Corporation tax	18,593	-
Under provision in previous year	79	-
	<u>18,672</u>	<u>-</u>

4. Investments

	2005 £	2004 £
Cost of investment in subsidiary undertaking	155,000	-
Write down of investment	(155,000)	-
	<u>-</u>	<u>-</u>

During the year 100% of the ordinary share capital of Sedserio Limited, being 137,600 shares of £1 each was purchased by the company (note 9). Sedserio Limited was engaged in property development and on 31 January 2005 the trade and net assets of Sedserio Limited were "hived up" to the company and payment for the net assets was made via an inter-company loan (£248,092).

The loan from Sedserio Limited was waived resulting in a £nil balance sheet and the investment in the subsidiary undertaking has therefore been written down to £nil.

5. Stocks

	2005 £	2004 £
Development properties	<u>3,633,080</u>	<u>3,422,326</u>

6. Debtors

	2005 £	2004 £
Trade debtors	7,423	4,984
Other debtors	9,246	92,265
	<u>16,669</u>	<u>97,249</u>

AMOVA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

7. Creditors: amounts falling due within one year

	2005 £	2004 £
Bank loans and overdrafts	2,137,000	-
Amounts owed to group undertakings	-	50,000
Corporation tax	20,961	30,808
Other taxation	-	7,511
Other creditors	732,591	1,165,274
	<u>2,890,552</u>	<u>1,253,593</u>

The bank loan was used to fund the purchase and redevelopment of a property and the bank holds a preferred security over the property and its associated assets. The Buccleuch Estates Limited has also granted a guarantee for the amount of the loan in favour of the bank.

Included within other creditors is a loan for £689,516 (2004: £564,516) from The Buccleuch Estates Limited. The principal amount and all accrued interest, is repayable on disposal of the property.

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

	2005 £	2004 £
Bank loans and overdrafts	-	1,762,000

Bank loan has been reclassified as due within one year.

9. Share capital

Authorised share capital:

	2005 £	2004 £
465,000 Ordinary shares of £1 each	465,000	310,000

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	465,000	465,000	310,000	310,000

At the year end no one shareholder had a controlling interest in the company.

On 3 December 2004 155,000 ordinary shares of £1 were issued in exchange for the entire share capital in Sedserio Limited of £137,600 ordinary shares of £1.