

WHITEINCH FELLOWSHIP LIMITED
(Limited by guarantee)

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REPORT OF THE DIRECTORS

The Directors present their report together with the financial statements for the period ended 30 April 2001.

The Company's purpose is the advancement of the Christian faith through the provision of residential accommodation, residential care and nursing care for ageing and infirm people. It has not commenced.

The Company is recognised by the Inland Revenue as a Scottish Charity; reference SC028928.

DIRECTORS

A McWilliam and D C Ferguson were appointed as Directors on 8 April 1999 and have served to the date of this report.

AUDITORS

The auditors, Wilson & Bisset, have merged their practice with Wylie & Bisset. A proposal for their re-appointment will be put to the forthcoming Annual General Meeting.

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 surplus or deficit of the Company 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;
- * follow applicable accounting standards, 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, as amended. They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



A McWilliam
Director
65 Victoria Park Drive South
Glasgow G14 9NX

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REPORT OF THE AUDITORS

We have audited the financial statements on Pages 3 to 4 which have been prepared under the historical cost convention.

Respective Responsibilities of Directors and Auditors

As described on Page 2 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit of those statements and to report our opinion to you.

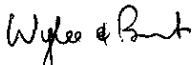
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 assurances that the financial statements are free from material misstatement 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 Company's affairs as at 30 April 2001 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act, 1985, as amended, applicable to small companies.



Wylie & Bisset
Chartered Accountants and Registered Auditors
80 Argyll Street
Dunoon

INCOME AND EXPENDITURE ACCOUNT
For the year ended 30 April 2001

The Company had no transactions during the period under review.

There have been no recognised gains or losses in the year ended 30 April 2001 other than the profit or loss for that period.

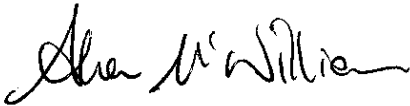
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BALANCE SHEET
As at 30 April 2001

The Company had no transactions during the period under review.

These financial statements are prepared in accordance with the provisions of Part VII of the Companies Act 1985, as amended, relating to small companies.

A handwritten signature in black ink, appearing to read 'A McWilliam', with a stylized, cursive script.

A McWilliam
Director