

If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services Act 1986 who specialises in advising on the acquisition of shares and other securities.

Application has been made for these securities to be admitted to trading on the Alternative Investment Market of the London Stock Exchange ("AIM"). It is emphasised that no application is being made for admission of these securities to the Official List.

AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than those of the Official List. The London Stock Exchange has not itself examined this document.

CALEDONIAN TRUST PLC

(Registered Number: 1040126)

ADMISSION DOCUMENT

issued in connection with the
ADMISSION to trading on the ALTERNATIVE INVESTMENT MARKET
of
The London Stock Exchange
of
11,363,747 Ordinary Shares of 20p each, allotted and fully paid,
of
CALEDONIAN TRUST PLC

This Admission Document is issued and dated on 22 September 1995 and published on 29 September 1995 by Caledonian Trust PLC whose registered office is at Cross House, Westgate Road, Newcastle Upon Tyne NE99 1SB under the Rules of the London Stock Exchange. Copies of this Admission Document will be available free of charge from 28 September 1995 at the addresses of the Nominated Adviser and Nominated Broker and shall remain available for at least 14 days after the date of admission of the securities to trading on AIM.

The Nominated Adviser in relation to these securities is Neill Clerk Capital Limited, regulated by The Securities and Futures Authority and a Sponsor registered with The London Stock Exchange, of 6 Park Circus Place, Glasgow G3 6AN (Telephone: 0141 332 2014; Fax: 0141 332 2015) and 31 Sackville Street, London W1X 1DB (Telephone: 0171 734 4446; Fax: 0171 434 2185).

The Nominated Broker in relation to these securities is Raphael Zorn Hemsley Limited, regulated by The Securities and Futures Authority and a Member of The London Stock Exchange, of 10 Throgmorton Avenue, London, EC2N 2DP (Telephone: 0171 628 4000; Fax: 0171 628 5986).

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ADVISERS

Auditors:	KPMG Saltire Court 20 Castle Terrace Edinburgh EH1 2EG
Bankers:	Bank of Scotland Head Office PO Box 5 Edinburgh EH1 1YZ
Registrars:	Bank of Scotland Registrars Department Apex House 9 Haddington Place, Edinburgh EH7 4AL
Solicitors:	Dickinson Dees Cross House Westgate Road Newcastle upon Tyne NE99 1SP
Financial Advisers:	Marshall Securities Limited 99 Charterhouse Street London EC1M 6HR

RESPONSIBILITY FOR THIS ADMISSION DOCUMENT

The persons responsible for this Admission Document or any part of it are:

- (a) the Company as issuer of the securities; and
 - (b) each of the Directors of the Company being:
 - Ian Douglas Lowe (Chairman and Chief Executive)
 - Michael James Baynham LLB(Hons) (Director and Secretary)
 - John Noel Little (Non-Executive)
 - Bryan John Rankin CA (Non-Executive)
 - all of 61 North Castle Street, Edinburgh EH2 3LJ
- in respect of the whole Admission Document.

Each of the Directors declares that to the best of his knowledge the information contained in this Admission Document is in accordance with the facts and that this Admission Document makes no omission likely to affect the import of such information and that he accepts responsibility for the Admission Document.

DEFINITIONS

<i>the Company</i>	Caledonian Trust PLC, having its registered office at Cross House, Westgate Road, Newcastle Upon Tyne, NE99 1SB, and where the context so admits, its subsidiaries
<i>the Shares</i>	11,363,747 ordinary shares of 20p each, allotted and fully paid, in nominal value in the capital of the Company
<i>the Directors or the Board</i>	the directors of the Company whose names are listed above
<i>the Act</i>	the Companies Act 1985 as amended

THE COMPANY

The Company's business is that of a holding company of a group of companies whose principal activity is property investment, holding and development.

On 30 June 1995 the Company had a property portfolio valued by the Directors at £33,124,504, of which 96.20% was located in Scotland. This portfolio comprises, by value, approximately 79.80% office investment property, 14.04% industrial property, 1.51% retail property and 4.65% property held for development.

In respect of the year ended on 30 June 1995 the Company's consolidated profits for the year after minority interests amounted to £915,926. The Company's consolidated revenues continued to strengthen from an increased rental stream. The redemption of loan stock threw up a surplus of £443,180 which contributed to increased profits for the year, although additional expenditure arose from an abortive takeover bid. The net valuations of existing properties remained the same as the previous year and the net surplus on revaluation credited to the revaluation reserve was nil. The Directors did not recommend payment of a dividend for the year and proposed that the profit be transferred to reserves.

Further financial information on the Company in the form of audited accounts for the year ended 30 June 1995 is annexed to this Admission Document in Schedule II.

THE DIRECTORS

The Directors of the Company are as follows:

I Douglas Lowe, Chairman and Chief Executive

Mr Lowe is a graduate of Cambridge University (MA (Hons) in Natural Science and Diploma in Agriculture) and Harvard Graduate School of Business Administration (MBA and Certificate in Advanced Agricultural Economics). Until 1977, he was Chief Executive of his family business, David Lowe and Sons of Musselburgh, property owners, farmers and market growers established in 1860, which farmed intensively nearly 2,000 acres and employed over 200 people.

In 1978 and 1979 Mr Lowe was Deputy Managing Director of Bruntons (Musselburgh) Limited, a listed company which manufactured mainly wire and wire rope and employed approximately 1,000 people. He was a significant shareholder and, from 1986 until shortly after joining the Company, Executive Deputy Chairman of Randsworth Trust PLC, a property company with a dealing facility on the Unlisted Securities Market. The market capitalisation of Randsworth Trust PLC increased from £886,000 to over £250 million between April 1986 and sale of the company in 1989.

Mr Lowe purchased shares in the Company in August 1987, at which time he became Chief Executive.

Michael J Baynham, Executive Director

Mr Baynham graduated in law (LLB (Hons) from Aberdeen University) in 1978. Prior to joining the Company in 1989, he worked as a solicitor in private practice, specialising in commercial property and corporate law. He was a founding partner of Orr MacQueen WS in 1981 and from 1987 to 1989 was an associate with Dundas & Wilson CS.

John N Little, Non-Executive Director

Mr Little was employed by Lloyds & Scottish PLC from 1957 to 1984. He was a main Board Director from 1969 to 1984 and Managing Director from 1973 to 1984. From 1980 to 1982 he was Chairman of the Finance Houses Association. He was non-executive Chairman of Randsworth Trust PLC from mid-1986 until November 1987. He is currently a Director of several private companies.

Bryan J Rankin, Non-Executive Director

Mr Rankin graduated (MA) in economics from Aberdeen University in 1966 and subsequently qualified as a Chartered Accountant in Edinburgh in 1969. He remained in the profession, reaching the position of managing partner of KPMG

Edinburgh office until 1989 when he joined Northern Venture Managers Ltd as a Director for some 4 years. He has been a director of the Company since 1989 and is also currently a director of a number of Scottish companies.

THE SECURITIES TO WHICH THE ADMISSION DOCUMENT RELATES

The securities to which the Admission Document relates are all the 11,363,747 Ordinary Shares of 20p each, allotted and fully paid, in the capital of the Company, constituting the whole paid up issued share capital of the Company.

The following excerpts from the Company's Articles of Association set out the rights attaching to the Shares as regards: -

- (i) voting;
- (ii) dividends;
- (iii) return of capital on the winding up of the Company; and
- (iv) the consents necessary for the variation of any of those rights.

(i) Voting

Votes of members

74. Subject to any special terms as to voting upon which any shares may have been issued, or may for the time being be held, every Member present in person shall upon a show of hands have one vote and every Member present in person or by proxy shall upon a poll have one vote for every 20p in nominal amount of the shares held by him. A Member who is a patient within the meaning of the Mental Health Act 1983 may vote, whether on a show of hands or on a poll, by his receiver or curator bonis and such receiver or curator bonis may, on a poll, vote by proxy.

Joint Owners

75. If two or more persons are jointly entitled to shares for the time being conferring a right to vote, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, either personally or by proxy, the Member whose name stands first on the Register as one of the holders of such shares, and no other, shall be entitled to vote in respect of the same.

When Members not to vote

76. No Member shall, unless the Directors otherwise determine, be entitled to be present or to vote, either in person or by proxy, at any General Meeting or upon any poll, or to exercise any privilege as a Member in relation to Meetings of the Company in respect of any shares held by him if either:

(i) any Calls or other moneys due and payable in respect of those shares remain unpaid; or

(ii) he or any person appearing to be interested in those shares has been duly served with a notice under Section 212 of the act and (a) is in default in supplying to the Company the information thereby requested within twenty-eight days after service of such notice or such longer period as may be specified in such notice for compliance therewith or in purported compliance with a Statutory Notice has made a statement which is false or misleading in any material particular and (b) has not remedied such default or corrected such

statement within a further period of fourteen days after service of a further notice (“the disenfranchisement notice”) requiring him so to do and stating that in the event of non-compliance with the disenfranchisement notice with effect from expiry such shares shall no longer confer on him the right to vote at any General Meeting of the Company.

For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the Member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the shares to which the disenfranchisement notice relates a notice in writing to that effect and a disenfranchisement notice shall be deemed to have been withdrawn when the statutory notice has been complied with in respect of all the shares to which the disenfranchisement notice relates.

Voting personally or by proxy

77. On a poll votes may be given personally or by proxy and a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. The instrument appointing a proxy shall be in writing in the usual form, or such other form as shall be approved by the Directors, under the hand of the appointor or his duly constituted attorney; or if such appointor is a corporation, under its Common Seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A proxy need not be a Member of the Company. A Member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy shall not preclude a Member from attending and voting in person at the Meeting or any adjournment thereof.

As to deposit of proxy

78. The instrument appointing a proxy together with the power of attorney (if any) under which it is signed, or a notarially certified copy thereof, shall be deposited at the Office or at such other place within the United Kingdom as is specified for the purpose in any instrument of proxy sent by the Company in relation to the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote and in default such instrument shall not be treated as valid.

As to validity of proxy

79. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No instrument of proxy shall be valid after the expiry of twelve months from the date of its execution.

When votes by proxy valid though authority revoked

80. A vote given or poll demanded in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the instrument of proxy or the authority under which it was executed or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, or incapacity, revocation or transfer shall have been received at the Office or such

other place as is specified for depositing the instrument of proxy before the time for holding the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given.

(ii) Dividends

Declarations of Dividends

130. Subject as hereinafter provided the Company in General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors.

Dividends not to bear Interest

131. No dividend or other moneys payable by the Company shall bear interest as against the Company.

Dividends: how payable

132. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of Calls shall be treated for the purpose of this Article as paid up on the share. Subject as aforesaid all dividends shall be apportioned and paid proportionately to the amounts paid up; on the shares during any portion or portions of the period in respect of which the dividend is paid: but if any share carries any particular rights as to dividends such share shall rank for dividend accordingly.

Dividends to joint holders

133. In case several persons are registered as joint holders of any share any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

Interim dividends

134. The Directors may from time to time declare and pay an interim dividend to the Members.

Dividends payable

135. No dividend or interim dividend shall be payable except in accordance with the provisions of the Act.

Unclaimed dividends

136. All dividends, interest or other sums payable unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company. The payment of any

unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee thereof.

To whom dividends belong

137. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable to the person registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights of inter se of transferors and transferees of any such shares in respect of such dividend.

Calls or debts may be deducted from dividends

138. The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all such sums as may be due from him to the Company on account of Calls or otherwise in relation to shares of the Company.

Method of payment

139. The Company may pay any dividend interest or other sum payable in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order and may render the same by post to the Members or persons entitled thereto, and in case of joint holders to the Member whose name stands first in the Register, or to such person and address as the holder or joint holders may direct, and the Company shall not be responsible for any loss of any such cheque, warrant, or order. Every such cheque, warrant, or order shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders may in writing direct, and the payment of the cheques, warrant or order shall be a good discharge to the Company.

Payment of dividends in specie

140. Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company, and the Directors shall give effect to any such direction provided that no such distribution shall be made unless recommended by the Directors. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments may be made to any Members upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors.

(iii) Return of capital on winding up

Division in specie

157. The Liquidator on any winding-up of the Company (whether voluntary or under supervision or compulsory) may with the authority of an Extraordinary Resolution, divide among the Members in kind the whole or any part of the assets of the Company and whether

or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between Members or classes of Members but so that if any such division shall be otherwise than in accordance with the existing rights of the Members, every Member shall have the same right of dissent and other ancillary rights as if such resolution were a Special Resolution passed in accordance with Section 582 of the Act.

(iv) Consents for variation of rights

Consent to Variation

81. If at any time the capital is divided into different classes of shares all or any of the rights or privileges attached to any class may be varied

(a) in such manner (if any) as may be provided by such rights, or

(b) in the absence of any such provision either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the issued shares of that class, but not otherwise. The creation or issue of shares ranking *pari passu* with or subsequent to the shares of any class shall not (unless otherwise expressly provided by these Articles or the rights attached to such last mentioned shares as a class) be deemed to be a variation of the rights of such shares.

Proceedings at meetings of classes of Members

82. Any meeting for the purpose of the last preceding Article shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no Member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he be a holder of shares of the class the rights or privileges attached to which are intended to be varied or abrogated by the resolution, and that no vote shall be given except in respect of a share of that class, and that the quorum at any such meeting shall be two persons at least present holding or representing by proxy at least one-third in nominal value of the issued shares of the class, and at an adjourned meeting one person holding shares of the class in question or his proxy and that a poll may be demanded in writing by any Member present in person or by proxy and entitled to vote at the meeting.

The Company has not in recent years paid any dividends in respect of the Shares but were it to do so in any year the entitlement thereto would arise on a date fixed by the Directors at the time of recommending the dividend.

In the event of any payment of dividends on the Shares advance corporation tax would be deducted at source at the rate (currently) of one quarter of the amount of the dividend payment and a tax credit in respect of income tax at the same rate on such amount would be annexed to the dividend warrant.

Transfer of Shares

The Company's Articles of Association include the following Articles 33 and 34 relating to the transfer of shares:

"Transfer of Shares

Restraint on transfer

33. The Directors may, in their absolute discretion and without assigning any further reason therefor, refuse to register any share transfer unless: --

- (i) it is in respect of a fully paid share;
- (ii) it is in respect of a share on which the Company does not have a lien;
- (iii) it is in respect of only one class of shares;
- (iv) it is in favour of not more than four joint holders as transferees; or
- (v) the conditions referred to in the next succeeding Article have been satisfied in respect thereof.

Registration of transfer

34. Every instrument of transfer must be left at the [registered] Office, or at such other place as the Directors may from time to time determine, to be registered, accompanied by the certificate of the shares comprised therein, and such evidence as the Directors may reasonably require to prove the title of the transferor, and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf the authority of that person so to do and thereupon the Directors, subject to the power vested in them by the last preceding Article, shall register the transferee as the holder."

Accordingly the Shares are freely transferable.

Other than the current application for admission of the Shares to trading on AIM and the existing facility to trade the Shares under Rule 4.2(a) of the London Stock Exchange, the Shares have not been admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there, nor are there intended to be, any other arrangements for there to be dealings in the securities.

No Shares are being issued or offered by this Admission Document and accordingly no proceeds will arise to the Company pursuant to this Admission Document.

GENERAL INFORMATION ABOUT THE COMPANY AND ITS CAPITAL

The Company is incorporated in England and is registered with the Registrar of Companies in London with the registered number 1040126. The Company was incorporated as a private limited company under the Companies Acts 1948 to 1967 on 27 January 1972 with the name Abusard Investments Limited. It changed its name to First Talisman Investment Company Limited on 24 August 1972 and was re-registered as a public company on 28 April 1982. It changed its name to First Talisman Investments PLC on 28 September 1982, then to Towngrade Securities PLC on 2 November 1983 and to Caledonian Trust PLC on 29 June 1988. The Company is now a public limited company governed by the Companies Act 1985.

In terms of the Company's Memorandum of Association, its principal objects are to carry on the business of property investment and development and for that purpose to acquire and hold as investments for the purpose of capital growth and/or deriving income therefrom any lands, buildings and property of any tenure or description and any interest therein or rights over or in connection with the same and to acquire by purchase, feu, excambion, lease, concession, grant, licence, exchange or otherwise any such lands, buildings and properties and any estates or interests therein or any rights over or in connection with the same and generally to hold, manage, develop, lease, sell or dispose of the same and to vary any of the investments of the Company, to construct, reconstruct, alter, improve, decorate, furnish and maintain offices, shops, factories, warehouses, buildings, garages, houses, flats, apartments, service suites, hotels, works and conveniences of all kinds, to consolidate or connect, or subdivide the same and to advance money to and enter into contracts with builders, tenants and others and generally to finance building operations of every description and to manage any land, buildings or other property as aforesaid whether belonging to the Company or not, and to collect rents and income therefrom and matters connected therewith.

The liability of the members of the Company is limited.

The Company's authorised share capital is £3,500,000 divided into 17,500,000 ordinary shares of 20p each. Article 4 of the Company's Articles of Association provides that, subject to the authority of the Company in General Meeting the Directors shall have unconditional authority to issue Warrants and to allot, grant options over, offer or otherwise deal with or dispose of any Relevant Securities of the Company to such persons, at such times and generally on such terms and conditions as the Directors may determine.

The following resolution was passed at the Company's Annual General Meeting on 27 July 1995:-

That the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount of £1,277,250 to such persons at such times and on such terms as they think proper provided that such authority shall expire on the date preceding the date of the fifth

anniversary of the passing of this resolution, save that the Company may before such expiry make any offer or agreement which would require or might require relevant securities to be allotted after such expiry and, accordingly, the Directors may allot relevant securities pursuant to any such offer or agreement as if such authority had not expired.

There are no listed securities issued by the Company not representing share capital.

The Company has issued £2,620,045 12% convertible unsecured loan stock 1994/96 ("CULS") which are convertible at the option of the holder into Shares up to the end of 1995 at the rate of 4 Shares for each £3 of CULS. If all of such CULS were converted 3,493,394 Shares would be issued.

The CULS has been issued as follows:-

12% convertible unsecured loan stock 1994/96

Holder	Amount (£)	No. of Shares Convertible to
Ian Douglas Lowe	1,101,000	1,468,000
Ivory & Sime Enterprise Capital PLC	850,000	1,133,333
Abtrust Scotland Investment Company PLC	353,125	470,834
Keepname Limited*	250,000	333,334
Others	32,851	43,801
Michael James Baynham	18,069	24,092
John Noel Little	15,000	20,000
	-----	-----
	£2,620,045	3,493,394
	=====	=====

The Company has received irrevocable mandates from holders of 76.1% of the CULS undertaking to vote in favour of a resolution to amend the terms on which the CULS were issued, (i) to amend the rate of interest from 12% to 10%, (ii) to extend the period of the CULS up to 30 June 1999, (iii) to extend the period of convertibility up to 30 June 1999 and (iv) to amend the conversion rate to 1 share for each £0.685 of CULS. If all such CULS were converted, 3,824,883 shares would be issued. No notice of a meeting at which such a resolution will be proposed has yet been issued.

The Company has issued £924,682 floating rate unsecured loan stock 1996 ("ULS") on which interest is payable at 4% over bank base rate. The ULS has been issued as follows:-

Floating rate unsecured loan stock 1996

Holder	Amount (£)
Ivory & Sime Enterprise Capital PLC	390,500
Ian Douglas Lowe	321,057
Keepname Limited*	140,000
Michael James Baynham	40,000
Abtrust Scotland Investment Company PLC	33,125

	£924,682
	=====

The Company has received irrevocable mandates from holders of 81.3% of the ULS undertaking to vote in favour of a resolution to amend the terms on which the ULS were issued to extend the repayment date to the end of July 1997. No notice of a meeting at which such a resolution will be proposed has yet been issued.

* *Keepname Limited is a Company of which Mr Rankin is a minority shareholder and a director.*

The Company is the ultimate holding company of a group. The principal subsidiaries of the Company are North Castle Properties Limited, South Castle Properties Limited, Caledonian Stoneywood Limited, West Castle Properties Limited (all of which undertake property investment), Caledonian Scottish Developments Limited, Caledonian City Developments Limited, (both of which undertake property development) and Bronzeburn Limited (formerly The Bank of Edinburgh Group Limited, which acts as an investment holding company). The Company holds 100% of each of the foregoing principal subsidiaries other than Caledonian City Developments Limited of which it holds 60%. All the principal subsidiaries are registered in Scotland except Caledonian City Developments Limited and Bronzeburn Limited which are registered in England and Wales.

The Share Capital of the Company is as follows:-

Shares	£
Authorised: 17,500,000 ordinary shares of 20p each	3,500,000
Allotted and fully paid: 11,363,747 ordinary shares of 20p each	2,272,749

There are no outstanding listed convertible securities issued by the Company.

The following persons hold the following number of Shares and as such could, directly or indirectly, jointly or severally, exercise control over the Company:-

Holder	No. of Shares	Percentage of total Shares
Ivory & Sime Enterprise Capital PLC	3,159,866	27.80
Abtrust Scotland Investment Company PLC	400,000	3.52
Ian Douglas Lowe	4,814,128	42.36
Michael James Baynham	454,133	4.00
Grampian Regional Council Superannuation Fund	349,991	3.08
Bryan John Rankin	70,000	0.61

Ivory & Sime Enterprise Capital PLC and Ian Douglas Lowe are, and have been within the last 12 months, entitled to exercise or to control the exercise of 10% or more of the votes able to be cast on all or substantially all matters at general meetings of the Company. The Company has no parent undertaking.

THE COMPANY'S PRINCIPAL ACTIVITIES

The principal activity of the Company is property investment holding and development. The Company is a property investment company with 5% of its portfolio in property held for development.

When the present management took control in 1987 they realised the portfolio in the south east of England and reinvested in reversionary office property in Edinburgh, where office rental growth had been slow due to a high vacancy rate. However, the rapid economic growth of the late 1980's created demand for offices and rents rose rapidly in Edinburgh. In 1989 the Company identified Aberdeen offices where rents had been almost static for some years as an area likely to show significant growth. In mid-1989 the Company purchased a large modern office block in Aberdeen, St Magnus House, where rents rose rapidly from 1989 to 1991.

The Company negotiated the purchase of the Stoneywood Business Centre in Aberdeen in mid-1992 when property yields were very high and the long deep recession profoundly affected sentiment enabling the Company to acquire the property on alternative terms. Shortly after completion in late 1992, yields fell substantially and confidence grew.

In the years immediately preceding the withdrawal from the Exchange Rate Mechanism in September 1992 interest rates were very high. The Company resisted advice to take long-term loans at lower rates than existing short term borrowings as the long-term rates were considered far too high and indeed rates subsequently fell rapidly. In February 1994 the Company took steps (by purchasing CAPS at 6.5%) to limit their exposure to a rise in interest rates for two years until February 1996. Shortly after that short-term rates rose again. At present prospects for short-term rates continue to appear reasonable.

The Company successfully offered approximately £4m for The Bank of Edinburgh Group Limited, a takeover that yielded a cash inflow, £233,371 VAT return, £37,000 tax return, and up to £1.8m of available tax losses. In 1994/1995 the Company was outbid for Lawrie & Symington Ltd, a recovery and asset situation.

In the last five years the Company has uncovered many anomalies and opportunities in the market, only a few of which it has been able to exploit. Other such opportunities, often in the Corporate sector, continue to be available to the Company which now has "in house" considerable skill and experience in corporate activity, advantages which reduce the considerable cost normally incurred.

The Company's net asset value per share under the present management increased from 23.77p in the year to 30th June 1987 to 96.28p in June 1995.

The Company has contracted to purchase property amounting to £88,000. Other than this the Company does not have any significant investments in progress.

The Company does not depend on patents or other intellectual property rights, licences or particular contracts.

Other than the expenses of a now settled court action (amounting to £57,000), which have not yet been paid by the Company, the Directors are not aware of any legal or arbitration proceedings, active, pending or threatened against, or being brought by, the Company.

THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

There are annexed to and deemed to form part of this Admission Document copies of the annual accounts of the Company for the year ended 30 June 1995 ("the Accounts").

The Directors confirm that the Accounts have been prepared in accordance with the law, and that they accept responsibility for them.

No interim accounts of the Company have been published since 30 June 1995.

In Schedule I at the end of and forming part of this Admission Document there is set out the following information in respect of each of the Directors:

- i) directorships held over the previous five years
- ii) any unspent convictions
- iii) details of bankruptcies, receiverships or liquidations of companies where he was a director at the time of or within the 12 months preceding such events, and
- iv) any public criticisms by statutory or regulatory authorities.

The Company has by board resolution dated 22 September 1995 adopted the Model Code for AIM Companies.

RECENT DEVELOPMENTS IN THE COMPANY'S BUSINESS AND PROSPECTS

There has been no significant recent trend concerning the development of the Company's business since 30 June 1995, but the Directors continue to search for suitable investment opportunities and corporate acquisitions.

The Company is operating profitably and expects to continue to do so in its current financial year.

Working Capital

A number of bank loan and overdraft facilities amounting to £7,500,000 at 30 June 1995 are due for renewal or extension during the period to 30 September 1996 and in particular a term loan of £5,625,000 at 30 June 1995 the remaining balance of which (amounting to £5,400,000), falls due for repayment or renegotiation and extension in February 1996. The Directors expect that an extra £1,500,000 could be secured from such extension.

The Directors confirm that, having made due and careful enquiry, the working available to the Company is sufficient for its present requirements.

SCHEDULE I

IAN DOUGLAS LOWE

(i) Directorships held over the past five years

Current Directorships

Caledonian Trust PLC
North Castle Properties Limited
South Castle Properties Limited
West Castle Properties Limited
Caledonian Stoneywood Limited
Caledonian Scottish Developments Limited
Caledonian City Developments Limited
Bronzeburn Limited
CCL Developments PLC
Yewbrem Limited
Leafrealm Limited
Hannavard Limited
Randomswitch Limited
Kenilworth Industrial Sites Limited
Talisman Securities Limited
Dabogold Limited
Gemvolk Limited
The Bank of Edinburgh Group Limited
The Bank of Edinburgh Limited
B of E Properties PLC
B of E Finance PLC
Towngrade Securities Limited
Bologna Limited
Melville Management Limited

Previous Directorships

Phasnoon PLC
Hogame Limited
Kinarwood Limited
Leeguide Limited
The Vector Collection Limited
Tamotron Limited

(ii) Unspent Convictions

1992 - Late renewal of long standing shotgun and firearm licences - Fined £300

(iii) Bankruptcies, Receiverships, Liquidations, Etc

None

(iv) Public Criticisms

None

MICHAEL J. BAYNHAM

(i) Directorships held over the past five years

Current Directorships

Caledonian Trust PLC
North Castle Properties Limited
South Castle Properties Limited
West Castle Properties Limited
Caledonian Stoneywood Limited
Caledonian Scottish Developments Limited
Caledonian City Developments Limited
Bronzeburn Limited
Kenilworth Industrial Sites Limited
B of E Finance PLC
Towngrade Securities Limited
B of E Properties PLC
Dabogold Limited
Talisman Securities Limited
Gemvolk Limited
The Bank of Edinburgh Limited
The Bank of Edinburgh Group Limited
Melville Management Limited

Previous Directorships

The Vector Collection Limited
Tamotron Limited
Phasenoon Limited

(ii) Unspent Convictions

None

(iii) Bankruptcies, Receiverships, Liquidations, etc

None

(iv) Public Criticisms

None

BRYAN J. RANKIN

(i) Directorships Held Over The Past Five Years

Current Directorships

Caledonian Trust PLC
Biological Diagnostic Supplies Limited
Blade Communications Limited

Lead Scotland Limited
Keepname Limited
Work Wise Limited
Cloth Market Partners Limited
Saragon Limited
Boxcar Productions Limited
Finlayson Wagner Black Limited
Lead Telematics Limited
J P Carnegie Asset Management Limited
Pierre Victoire Limited

Previous Directorships

Blade Cummunications Ltd
Ideal Furniture Enterprises Ltd
Northern Venture Managers Ltd
NVPF General Partner Ltd
NVPF Trustee Ltd
Forth Wines Ltd
Lambert Smith Hampton Ltd
Submersible Television Surveys Ltd

(ii) Unspent Convictions

None

(iii) Bankruptcies, Receiverships, Liquidations, etc

Ideal Furniture Enterprises Limited
Blade Communications Limited

(Mr Rankin represented venture capital funds on the boards of both of the above Companies).

(iv) Public Criticisms

None

JOHN N LITTLE

(i) Directorships Held Over The Past Five Years

Current Directorships

Caledonian Trust PLC
Stortext (Scotland) Limited
JAD (93) Limited
Stortext Holdings Limited
Nelson Group Limited

Previous Directorships

J W Galloway Limited
Scotbeef Limited
Systems Leasing Limited
Systems Capital Limited
Asset & Investment Management Limited
London Fiduciary Trust PLC
Barry D Trentham Limited
Randolph Holdings Limited
Lease and Finance Services Limited
Caledonian Stoneywood Limited
Hatrack-Bruce Limited
Systems Equipment Supply Company Limited
Tamaris PLC

(ii) Unspent Convictions

None

(iii) Bankruptcies, Receiverships, Liquidations, etc

Castle Rock Investments Limited
Lancashire Loans Limited

(iv) Public Criticisms

None

Caledonian Trust plc

Directors' report and financial statements

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Note of historical cost profits and losses	6
Balance sheets	7 - 8
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Caledonian Trust plc

Directors, officers and professional advisers

Board of Directors	ID Lowe (Chairman and Chief Executive) MJ Baynham LLB (Hons) JN Little BJ Rankin CA
Secretary	MJ Baynham LLB (Hons)
Head Office	61 North Castle Street Edinburgh EH2 3LJ
Registered Office	Cross House Westgate Road Newcastle upon Tyne NE99 1SB
Auditors	KPMG Saltire Court 20 Castle Terrace Edinburgh EH1 2EG
Bankers	Bank of Scotland Head Office PO Box 5 The Mound Edinburgh EH1 1YZ
Registrars	Bank of Scotland Registrars Department Apex House 9 Haddington Place Edinburgh EH7 4AL
Registered number	1040126

Caledonian Trust plc

Directors' report

The directors present their report together with the audited financial statements of the Company and of the Group for the year ended 30 June 1995.

Review of year

During the year under review the company's revenues continued to strengthen from an increased rental stream. The redemption of loan stock threw up a surplus of £443,180 which contributed to the increased profits for the year compared with the preceding year but additional expenditure arose from the costs of the abortive bid for Lawrie & Symington Ltd. The net valuations of our existing properties remained the same in a difficult climate.

Principal activities

The Group is principally engaged in property investment holding and development. Additions to and disposals of properties are shown in note 7 to the financial statements.

Results and dividends

The Group profit for the year after minority interests amounted to £915,926 (1994: £559,340). The net surplus on revaluation of properties credited to revaluation reserve amounted to £Nil (1994: £1,485,000). The Group's activities comprise one geographical segment and one class of business. The directors do not recommend the payment of a dividend and propose that the profit be transferred to reserves.

Fixed assets

The movements in tangible fixed assets during the year and details of the differences between book and market values of land and buildings are set out in notes 7 and 8 to the financial statements.

Share capital

During the year 50,000 ordinary shares of 20p were allotted for the purposes explained in note 14 to the financial statements.

On 30 June 1995 the following were registered as being interested in 3% or more of the Company's ordinary share capital:

	No of Shares	Percentage Held
Ivory & Sime Enterprise Capital PLC	3,159,866	28.3
Abtrust Scotland Investment Company PLC	350,000	3.1

I D Lowe and M J Baynham have interests amounting to more than 3% of the Company's ordinary share capital, details of which are disclosed below.

Directors

The directors and their interests in the Company's share capital are set out below:

Beneficial interests - Ordinary Shares of 20p each

	30 June 1995	30 June 1994
ID Lowe	4,813,129	4,813,129
MJ Baynham	454,133	454,133
BJ Rankin	70,000	70,000
JN Little	-	-

Caledonian Trust plc

Directors' report *(continued)*

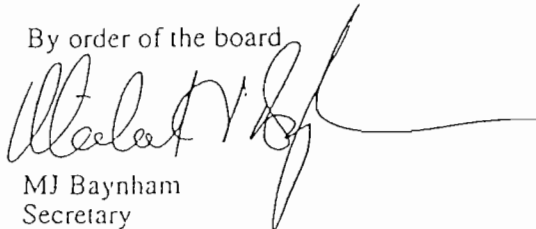
Options have been granted to directors to subscribe for ordinary shares under the terms of The Executive Share Option Scheme as follows:

Option holder	No of shares at 30 June 1994	Options granted during year	No of shares at 30 June 1995	Subscription price
ID Lowe	180,000	-	180,000	55.0p
ID Lowe	-	200,000	200,000	67.5p
MJ Baynham	50,000	-	50,000	55.0p
MJ Baynham	-	150,000	150,000	67.5p

Auditors

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

By order of the board



MJ Baynham
Secretary
14 September 1995

Cross House
Westgate Road
Newcastle upon Tyne
NE99 1SB

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 Group and of the profit or loss of the Group 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 Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Sallire Court
20 Castle Terrace
Edinburgh EH1 2EG

Auditors' report to the members of Caledonian Trust plc

We have audited the financial statements on pages 5 to 19.

Respective responsibilities of directors and auditors

As described on page 3, 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, on 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 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 and the Group as at 30 June 1995 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to be 'KPMG' with a flourish underneath.

KPMG
Chartered Accountants
Registered Auditors

14 September 1995

Caledonian Trust plc

Consolidated profit and loss account for the year ended 30 June 1995

	Note	1995 £	1994 £
Income			
Rents and service charges		2,995,684	2,933,494
Less: Outgoings		(35,703)	(4,360)
		<hr/>	<hr/>
Administrative expenses	2	2,959,981 (723,090)	2,929,134 (466,520)
		<hr/>	<hr/>
Operating profit		2,236,891	2,462,614
Gain on disposal of fixed assets		2,586	-
Interest receivable		54,814	143,884
Interest payable	3	(1,874,771)	(2,102,410)
Discount on redemption of 8% unsecured loan stock		443,180	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		862,700	504,088
Taxation	6	-	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		862,700	504,088
Minority interests		53,226	55,252
		<hr/>	<hr/>
Profit for the financial year	15	915,926	559,340
		<hr/>	<hr/>
Earnings per ordinary share	18	8.2p	5.8p
		<hr/>	<hr/>
Profit for the financial year is retained as follows:			
In holding company		308,537	(311,668)
In subsidiaries		607,389	871,008
		<hr/>	<hr/>
		915,926	559,340
		<hr/>	<hr/>

Caledonian Trust plc

Statement of total recognised gains and losses for the year ended 30 June 1995

	1995 £	1994 £
Profit for the financial year	915,926	559,340
Unrealised surplus on revaluation of properties	-	1,485,000
	<hr/>	<hr/>
Total gains and losses recognised since the last annual report	915,926	2,044,340
	<hr/>	<hr/>

Note of historical cost profits and losses for the year ended 30 June 1995

	1995 £	1994 £
Reported profit on ordinary activities before taxation	862,700	504,088
Realisation of property revaluation gains of previous years	-	-
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	862,700	504,088
	<hr/>	<hr/>
Historical cost profit for the year retained after taxation and minority interests	915,926	559,340
	<hr/>	<hr/>

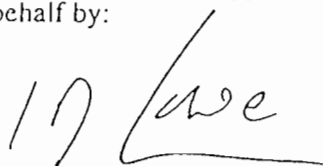
Caledonian Trust plc

Consolidated balance sheet at 30 June 1995

	Note	1995		1994	
		£	£	£	£
Fixed assets					
Tangible assets:					
Investment properties	7	33,124,504		32,685,000	
Equipment and vehicles	8	9,948		13,861	
		<hr/>		<hr/>	
		33,134,452		32,698,861	
Investments	9	11,894		11,894	
		<hr/>		<hr/>	
		33,146,346		32,710,755	
Current assets					
Debtors	10	105,474	466,232		
Cash at bank and in hand	11	230,557	1,263,673		
		<hr/>	<hr/>		
		336,031	1,729,905		
Creditors: amounts falling due within one year	12	(13,364,962)	(9,453,524)		
		<hr/>	<hr/>		
Net current liabilities		(13,028,931)		(7,723,619)	
Debtors: amounts due after more than one year	10	23,000		64,310	
		<hr/>	<hr/>	<hr/>	
Total assets less current liabilities		20,140,415		25,051,446	
Creditors: amounts falling due after more than one year	12	(10,384,723)	(16,192,204)		
Minority interests - equity		992,231	939,005		
		<hr/>	<hr/>	<hr/>	
Net assets		10,747,923		9,798,247	
		<hr/>	<hr/>	<hr/>	
Capital and reserves					
Called up share capital	14	2,232,749		2,222,749	
Share premium account	15	2,006,252		1,982,502	
Revaluation reserve	15	7,829,431		7,829,431	
Profit and loss account	15	(1,320,509)		(2,236,435)	
		<hr/>	<hr/>	<hr/>	
		10,747,923		9,798,247	
		<hr/>	<hr/>	<hr/>	

These financial statements were approved by the Board of Directors on 14 September 1995 and were signed on its behalf by:

ID Lowe
Director



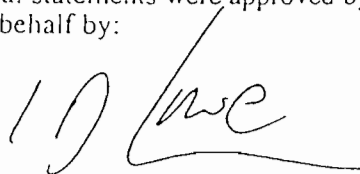
Caledonian Trust plc

Company balance sheet at 30 June 1995

	Note	1995		1994	
		£	£	£	£
Fixed assets					
Tangible assets:					
Investment properties	7		5,524,504		4,835,000
Equipment and vehicles	8		5,948		8,861
			<u>5,530,452</u>		<u>4,843,861</u>
Investments	9		15,006,448		14,574,381
			<u>20,536,900</u>		<u>19,418,242</u>
Current assets					
Debtors	10	4,348,671		4,159,170	
Cash at bank and in hand	11	8,047		671,039	
		<u>4,356,718</u>		<u>4,830,209</u>	
Creditors: amounts falling due within one year	12	(10,371,013)		(11,371,727)	
Net current liabilities			<u>(6,014,295)</u>		<u>(6,541,518)</u>
Total assets less current liabilities			14,522,605		12,876,724
Creditors: amounts falling due after more than one year	12		(3,774,682)		(3,078,477)
Net assets			<u>10,747,923</u>		<u>9,798,247</u>
Capital and reserves					
Called up share capital	14		2,232,749		2,222,749
Share premium account	15		2,006,252		1,982,502
Revaluation reserves					
Property	15		354,653		104,653
Investments	15		7,774,092		7,416,703
Profit and loss account	15		(1,619,823)		(1,928,360)
			<u>10,747,923</u>		<u>9,798,247</u>

These financial statements were approved by the Board of Directors on 14 September 1995 and were signed on its behalf by:

ID Lowe
Director



Caledonian Trust plc

Consolidated cash flow statement for the year ended 30 June 1995

	1995		1994	
	£	£	£	£
Net cash inflow from operating activities		2,920,047		2,080,322
Returns on investments and servicing of finance				
Interest received	54,814		143,884	
Interest paid	(1,912,667)		(2,060,873)	
		<hr/>		<hr/>
Net cash outflow from returns on investments and servicing of finance		(1,857,853)		(1,916,989)
Corporation tax		(143,119)		(109,400)
		<hr/>		<hr/>
Net cash inflow before investing and financing		919,075		53,933
Investing activities				
Cash inflow from acquisition of Bronzeburn Ltd	-		1,673,201	
Payments, including interest costs, to acquire investment properties	(439,504)		-	
Payments to acquire tangible fixed assets	(3,461)		-	
Proceeds from sale of tangible fixed assets	3,586		-	
		<hr/>		<hr/>
Net cash inflow/(outflow) from investing activities		(439,379)		1,673,201
		<hr/>		<hr/>
Net cash inflow before financing		479,696		1,727,134
Financing				
Issue of ordinary shares	33,750		257,400	
Repayment of depositors	-		(276,726)	
Bank loans drawn down	2,900,000		12,790,000	
Bank loans repaid	(1,360,040)		(13,660,000)	
Issue of 12% convertible unsecured loan stock 1994/96	233,125		-	
Issue of floating rate unsecured loan stock 1995/96	233,125		-	
Redemption of 8% unsecured loan stock 1995	(307,820)		-	
Other loan repayments	-		(444,261)	
Other loans drawn down	-		144,261	
		<hr/>		<hr/>
Net cash inflow/(outflow) from financing		1,732,140		(1,189,326)
		<hr/>		<hr/>
Increase in cash and cash equivalents		2,211,836		537,808
		<hr/> <hr/>		<hr/> <hr/>

Caledonian Trust plc

Notes to the cash flow statement

a Reconciliation of operating profit to net cash inflow from operating activities

	1995 £	1994 £
Operating profit	2,236,891	2,462,614
Depreciation charges	6,374	5,855
Decrease/(increase) in debtors	402,068	39,356
Increase/(decrease) in creditors	274,714	(427,503)
	<u>2,920,047</u>	<u>2,080,322</u>

b Analysis of changes in cash and cash equivalents during the year

Balance at 30 June 1994	(3,908,451)	(4,446,259)
Net cash inflow	2,211,836	537,808
	<u>(1,696,615)</u>	<u>(3,908,451)</u>

c Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	1995 £	1994 £	Change in the year £
Cash at bank and in hand	230,557	1,263,673	(1,033,116)
Bank loans and overdrafts	(1,927,172)	(5,172,124)	3,244,952
	<u>(1,696,615)</u>	<u>(3,908,451)</u>	<u>2,211,836</u>

d Analysis of changes in financing during the year

	Bank loans £	Loan stocks £	Share capital (including premium) £
Balance at 30 June 1994	14,455,000	3,829,477	4,205,251
Cash inflow from financing	2,900,000	466,250	33,750
Cash outflow from financing	(1,360,040)	(307,820)	-
Discount on loan redemption	-	(443,180)	-
	<u>15,994,960</u>	<u>3,544,727</u>	<u>4,239,001</u>

Caledonian Trust plc

Notes

(forming part of the financial statements)

1 Accounting policies

The following are the main accounting policies of the Group:

(a) *Basis of preparation*

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and in accordance with applicable accounting standards. The Company has not presented its own profit and loss account in accordance with section 230 of the Companies Act 1985.

(b) *Basis of consolidation*

The consolidated financial statements combine the results of the Company and its subsidiary undertakings for the year ended 30 June 1995, and reflect events occurring up until the date of approval of the financial statements.

(c) *Income*

Rental income represents rent and service charges receivable without taking into account any expenditure borne direct by tenants.

(d) *Properties*

Properties held by the Group are classified within fixed assets as either investment properties or properties held for development.

Investment properties

Investment properties are stated at their open market valuation at the balance sheet date, valued either by the directors or by independent professional advisers. Independent professional valuations are prepared at least once every three years.

Surpluses or deficits arising on revaluations are taken to the revaluation reserve except in the case of deficits which are considered to be permanent which are taken to the profit and loss account. The revaluation reserve is not distributable.

On disposal of an investment property the profit and loss account includes the effect of comparing sales proceeds and the book amount of the asset sold. Any previous revaluation surplus or deficit realised on disposal is transferred from revaluation reserve to accumulated profit and loss reserves.

Properties held for development

Properties held for development are shown at open market valuation at the balance sheet date as described above. When development commences, costs of such development (including interest thereon) are aggregated in the book amount provided that the anticipated overall book amount following completion would not exceed the anticipated valuation of the property at that date.

(e) *Investments*

Investments in subsidiary undertakings are included in the balance sheet of the Company at net asset value of the undertaking concerned.

(f) *Depreciation*

In accordance with SSAP 19 no depreciation or amortisation is provided in respect of freehold investment properties or leaseholds with over twenty years to run, including equipment therein. This treatment, as regards certain of the Group'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 financial statements 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.

Caledonian Trust plc

Notes (continued)

1 Accounting policies (continued)

Other tangible fixed assets are depreciated by equal instalments over their estimated useful lives at the following rates:

Office equipment	15 per cent
Motor vehicles	33 $\frac{1}{4}$ per cent

(g) Taxation

No provision is made for taxation which would become payable if properties held as investment properties and the Company's investments in subsidiary undertakings were disposed of at book value as there is no intention to dispose of them.

The effect of other timing differences is provided for only where, in the opinion of the directors, it is probable that a liability will arise in the foreseeable future.

2 Administrative expenses

	1995	1994
	£	£
Directors' emoluments (see note 4)	196,854	194,764
Management expenses	457,515	442,358
Exceptional recovery of VAT	-	(233,371)
Auditors' remuneration		
- audit	16,000	21,460
- non audit	46,347	35,454
Depreciation	6,374	5,855
	<u>723,090</u>	<u>466,520</u>

3 Interest payable

	1995	1994
	£	£
Bank loans and overdrafts	1,473,776	1,685,243
Loan stock repayable within five years	400,995	417,167
Other loans repayable within five years	-	-
	<u>1,874,771</u>	<u>2,102,410</u>

4 Directors' emoluments

	1995	1994
	£	£
Fees	35,000	35,000
Other emoluments (including pension contributions)	161,854	159,764
	<u>196,854</u>	<u>194,764</u>
Emoluments, excluding pension contributions, are analysed as follows:		
Chairman (and highest paid director)	<u>96,138</u>	<u>97,259</u>

Caledonian Trust plc

4 Directors' emoluments (*continued*)

	1995 Number	1994 Number
Number of directors including non-executive directors, whose emoluments were within the ranges:		
£ Nil - £ 5,000	1	1
£ 5,001 - £ 10,000	1	1
£50,001 - £ 55,000	-	1
£55,001 - £ 60,000	1	-
£95,001 - £100,000	1	1

The Company operates defined contribution pension schemes for executive directors and the assets of the schemes are held separately from those of the Company. The pension cost charge shown in note 5 represents contributions payable by the Company.

5 Employees

The average number of persons, including directors, employed by the Group during the year was:

	1995 Number	1994 Number
Management	4	4
Administration	2	2
	<u>6</u>	<u>6</u>

The aggregate payroll costs of these persons were as follows:

	1995 £	1994 £
Wages and salaries	161,022	173,973
Social security costs	15,280	17,064
Other pension costs	30,000	30,017
	<u>206,302</u>	<u>221,054</u>

6 Taxation

There is no charge for corporation tax for the year ended 30 June 1995 by reason of losses available for relief.

Caledonian Trust plc

Notes (continued)

7	Investment properties	Freehold	
		Group £	Company £
	Investment properties:		
	Valuation at 1 July 1994	31,185,000	4,835,000
	Additions in year	439,504	439,504
	Revaluation surplus/(deficit) arising in year	-	250,000
	Valuation at 30 June 1995	31,624,504	5,524,504
	Properties held for development:		
	Valuation at 1 July 1994	1,500,000	-
	Valuation at 30 June 1995	1,500,000	-
	Net book amount at 30 June 1995	33,124,504	5,524,504
	Net book amount at 1 July 1994	32,685,000	4,835,000

Investment properties and properties held for development have been stated at directors' valuation at the balance sheet date based on independent valuations at open market value made by Montagu Evans at 31 December 1993.

The historical cost of properties included at valuation is as follows:

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Investment properties	25,514,664	25,075,160	5,169,851	4,730,347

The cumulative amount of interest capitalised in amounts for the Group's investment properties is £1,077,246 (1994: £1,077,246). The cumulative amount of such interest capitalised for the Company is £550,842 (1994: £550,842).

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Notes (continued)

8	Equipment and vehicles	Motor vehicles £	Office equipment £	Total £
	Group			
	Cost at 1 July 1994	27,495	263,350	290,845
	Disposals in year		(22,804)	(22,804)
	Additions in year	-	3,461	3,461
	Cost at 30 June 1995	<u>27,495</u>	<u>244,007</u>	<u>271,502</u>
	Depreciation at 1 July 1994	27,495	249,489	276,984
	Disposals		(21,804)	(21,804)
	Charged in year	-	6,374	6,374
	Depreciation at 30 June 1995	<u>27,495</u>	<u>234,059</u>	<u>261,554</u>
	Net book amount at 30 June 1995	<u>-</u>	<u>9,948</u>	<u>9,948</u>
	Net book amount at 1 July 1994	<u>-</u>	<u>13,861</u>	<u>13,861</u>
	Company			
	Cost at 1 July 1994	27,495	39,035	66,530
	Additions in year	-	3,461	3,461
	Cost at 30 June 1995	<u>27,495</u>	<u>42,496</u>	<u>69,991</u>
	Depreciation at 1 July 1994	27,495	30,174	57,669
	Charged in year	-	6,374	6,374
	Depreciation at 30 June 1995	<u>27,495</u>	<u>36,548</u>	<u>64,043</u>
	Net book amount at 30 June 1995	<u>-</u>	<u>5,948</u>	<u>5,948</u>
	Net book amount at 1 July 1994	<u>-</u>	<u>8,861</u>	<u>8,861</u>

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Notes (continued)

9 Investments	Shares in subsidiary undertakings £	Loans to subsidiary undertakings £	Other unlisted investments £	Total £
Group				
Cost				
At 1 July 1994 and 30 June 1995	-	-	11,894	11,894
Company				
Cost at 1 July 1994	4,573,247	2,083,970	11,894	6,669,111
Addition in year	-	182,709	-	182,709
At 30 June 1995	4,573,247	2,266,679	11,894	6,851,820
Revaluation surplus at 1 July 1994	9,242,273	(1,337,003)	-	7,905,270
Surplus/(deficit) arising during year	429,197	(179,839)	-	249,358
At 30 June 1995	9,671,470	(1,516,842)	-	8,154,628
Net book amount at 30 June 1995	14,244,717	749,837	11,894	15,006,448
Net book amount at 1 July 1994	13,815,520	746,967	11,894	14,574,381

The Company's investments in the ordinary share capital of its principal subsidiary undertakings are included at net asset value of the undertakings which are as follows:

Subsidiary undertaking	% held	Activity
North Castle Properties Ltd	100%	Property Investment
Caledonian Scottish Developments Ltd	100%	Property Development
South Castle Properties Ltd	100%	Property Investment
Caledonian Stoneywood Ltd	100%	Property Investment
Bronzeburn Ltd	100%	Investment Holding Company
Caledonian City Developments Ltd	60%	Property Development
West Castle Properties Ltd	100%	Property Investment

All the principal subsidiary undertakings are registered in Scotland except Caledonian City Developments Ltd and Bronzeburn Ltd which are registered in England and Wales.

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
<i>Amounts falling due within one year</i>				
Amounts owed by subsidiary undertakings	-	-	4,292,139	4,149,739
Other debtors	8,389	413,174	757	-
Prepayments and accrued income	97,085	53,058	55,775	9,431
	<u>105,474</u>	<u>466,232</u>	<u>4,348,671</u>	<u>4,159,170</u>
<i>Amounts falling due after more than one year</i>				
Prepaid interest rate caps	23,000	64,310	-	-
	<u>128,474</u>	<u>530,542</u>	<u>4,348,671</u>	<u>4,159,170</u>

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Notes (continued)

11 Cash at bank and in hand

Group bank balances totalling £208,863 (1994: £607,441) were held by the Group's bankers as collateral against loans provided to subsidiary undertakings.

12 Creditors: amounts falling due within one year

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Bank loans and overdrafts	8,462,091	6,513,395	730,150	3,775,166
12% conv. unsec. loan stock 1994/96	2,620,045	-	2,620,045	-
8% unsecured loan stock 1995	-	751,000	-	751,000
Amounts owed to subsidiary undertakings	-	-	6,031,984	5,769,091
Corporation tax	-	143,119	-	143,119
Other taxes and social security	-	62,545	-	62,545
Minority shareholder loans	798,247	693,039	-	-
Provision for loss in subsidiary undertaking	-	-	269,846	368,963
Other creditors and accruals	1,129,062	995,775	665,829	463,837
Deferred income	355,517	294,651	53,159	38,006
	<u>13,364,962</u>	<u>9,453,524</u>	<u>10,371,013</u>	<u>11,371,727</u>

Bank loans and overdrafts are secured on certain of the Group's properties.

The 12% convertible unsecured loan stock is convertible at the option of the holder into 20p shares up to the end of 1995 at the rate of 4 ordinary shares of 20p for each £3 of loan stock.

Creditors: amounts falling due after more than one year

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Bank loan	9,460,041	13,113,727	2,850,000	-
8% unsecured loan stock 1995	-	-	-	-
12% convertible unsecured loan stock 1994/96	-	2,386,920	-	2,386,920
Floating rate unsecured loan stock 1995/96	924,682	691,557	924,682	691,557
Other creditors	-	-	-	-
	<u>10,384,723</u>	<u>16,192,204</u>	<u>3,774,682</u>	<u>3,078,477</u>

Bank loans of £15,994,959 are repayable in instalments. Of this £6,534,918 is due within one year and is included in current liabilities. Instalments of £5,039,732 are repayable after more than 5 years. The loans are secured by standard securities and floating charges over the assets of certain subsidiaries and by an unlimited guarantee from Caledonian Trust. Interest charged on these loans is based on margins ranging from 1½% to 2¼% over the prevailing London Interbank Offer Rate.

Interest on the floating rate unsecured loan stock 1995/96 is payable at 4% over bank base rate.

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Notes (continued)

13 Deferred taxation

There is an unprovided potential Group deferred taxation liability at 33% (1994: 33%) in respect of unrealised chargeable gains at 30 June 1995 amounting to £1,033,000 (1994: £1,183,000). Company £Nil (1994: £Nil).

14 Share capital

	1995		1994	
	No	£	No	£
<i>Authorised:</i>				
Ordinary shares of 20p each	17,500,000	3,500,000	17,500,000	3,500,000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of 20p each	11,163,747	2,232,749	11,113,747	2,222,749

During the year the following ordinary shares of 20p were allotted:

Number of shares	Premium	Reason for issue
50,000	47.5p	Additional working capital

15 Reserves

Group	Share premium account	Revaluation reserve	Profit and loss account	Total
	£	£	£	£
Balance at 1 July 1994	1,982,502	7,829,431	(2,236,435)	7,575,498
Net revaluation in year	-	-	-	-
Profit for the financial year	-	-	915,926	915,926
Share premium in year	23,750	-	-	23,750
Balance at 30 June 1995	2,006,252	7,829,431	(1,320,509)	8,515,174

Company	Share premium account	Revaluation reserves		Profit and loss account	Total
	£	Property	Investments	£	£
Balance at 1 July 1994	1,982,502	104,653	7,416,703	(1,928,360)	7,575,498
Revaluation surplus/(deficit) of interests in subsidiary undertakings in year	-	-	357,389	-	357,389
Property revaluation surplus arising in year	-	250,000	-	-	250,000
Profit for the financial year	-	-	-	308,537	308,537
Share premium in year	23,750	-	-	-	23,750
Balance at 30 June 1995	2,006,252	354,653	7,774,092	(1,619,823)	8,515,174

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Notes (continued)

16 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Profit for the financial year	915,926	559,340
Revaluation surplus	-	1,485,000
New share capital subscribed	33,750	1,352,566
	<hr/>	<hr/>
Net addition to shareholders' funds	949,676	3,396,906
Opening shareholders' funds	9,798,247	6,401,341
	<hr/>	<hr/>
Closing shareholders' funds	<u>10,747,923</u>	<u>9,798,247</u>

17 Transactions with directors

BJ Rankin is a director of Keepname Limited, a company which received £10,000 in respect of consultancy fees in the year.

18 Earnings per ordinary share

The calculation of the earnings per ordinary share is based on a profit of £915,926 (1994: £559,340) and on the weighted average number of ordinary shares in issue in the year of 11,119,477 (1994: 9,726,477).

19 Capital commitments

There were capital commitments in respect of property purchases contracted for amounting to £80,000 at the year end (1994 - £Nil).