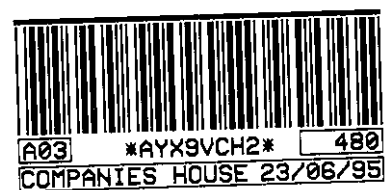


**MILK STREET HOLDINGS LIMITED**

**Report and Balance Sheet**

**30 September 1994**



REPORT AND BALANCE SHEET 1994

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## DIRECTOR'S REPORT

The director presents his annual report and the unaudited balance sheet for the year ended 30 September 1994.

## STATE OF AFFAIRS AND DIVIDENDS

The company is dormant.

The director does not recommend the payment of a dividend.

## DIRECTOR

The director who served throughout the year is Mr J H Williamson. He had no interest in the share capital of the company. His interest in the share capital of Cadastra Limited, the ultimate parent company of the group, is set out in the report of the directors of that company.

## STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Approved by the Director  
and signed on his behalf

for CADASTRA LIMITED

  
DIRECTOR/SECRETARY

Secretary

Leda House  
Station Road  
Cambridge

5 June 1995

**BALANCE SHEET**  
**30 September 1994**

	Note	1994 £	1993 £
<b>CURRENT ASSETS</b>			
Amounts due from parent company		3,800,150	3,800,150
Other debtors	4	1,800,000	1,800,000
		<u>5,600,150</u>	<u>5,600,150</u>
<b>PROVISION FOR LIABILITIES</b>			
Provision for warranty	4	3,600,000	3,600,000
		<u>2,000,150</u>	<u>2,000,150</u>
<b>CAPITAL</b>			
Called up share capital	2	<u>2,000,150</u>	<u>2,000,150</u>
Equity shareholders' funds		100	100
Non-equity shareholders' funds		<u>2,000,050</u>	<u>2,000,050</u>
		<u>2,000,150</u>	<u>2,000,150</u>

This balance sheet was approved by the Director on

*5 June 1995*

The company was dormant throughout the year within the definition of Section 252, Companies Act 1985.

*[Signature]*  
 Director

# NOTES TO THE BALANCE SHEET

## 30 September 1994

### 1. ACCOUNTING POLICY

The balance sheet is prepared in accordance with applicable accounting standards.

### 2. CALLED UP SHARE CAPITAL

	1994 £	1993 £
Authorised, allotted and fully paid		
Participating preference shares of £1 each	50	50
15% non-cumulative preference shares of £1 each	2,000,000	2,000,000
Ordinary shares of £1 each	100	100
	<u>2,000,150</u>	<u>2,000,150</u>

The 15% non-cumulative preference shares shall rank in priority to the ordinary shares as regards Capital as well as Dividend, but shall not carry any further right to participate in the profits or assets of the company. The participating preference shares shall rank in priority to the ordinary shares as regards Capital as well as Dividend to the extent of a 10% non-cumulative preference dividend and thereafter at varying rates as laid down in the Company's Articles of Association. The holders of the preference shares do not have the right to attend or vote at any General Meeting except in respect of a resolution verifying the rights of the holders of the shares.

### 3. PROFIT AND LOSS ACCOUNT

The company did not trade and made neither a profit nor a loss during the year. Therefore no profit and loss account has been prepared.

The company was dormant throughout the year within the definition of Section 252, Companies Act 1985.

### 4. DEBTORS AND CONTINGENT LIABILITY

During a prior year the company sold shares in a group company to a fellow subsidiary which subsequently ceased to be a member of the group. The total consideration for the sale was £11,873,178 of which the company received £10,073,178 on completion with the balance of £1,800,000 deferred.

The company has a contingent liability under warranty to repay up to £3,600,000 of such consideration for which full provision has been made.

By a Deed of Assignment dated 30 September 1987 the company assigned to a group company a majority interest in the £1,800,000 receivable net of any warranty repayments made.

### 5. ULTIMATE PARENT COMPANY

The ultimate parent company is Cadastra Limited, which is registered in England and Wales. The group accounts are available at Leda House, Station Road, Cambridge.