

BERISFORD (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 1995

(Company Number : 211657)



BERISFORD (UK) LIMITED**DIRECTORS' REPORT**

The Directors submit their report and the audited financial statements for the year ended 30 September 1995.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity continues to be that of recovering a portfolio of assigned debts. The Directors do not recommend the payment of a dividend (1994: Nil).

DIRECTORS

The Directors who served during the year and to date are as follows:

D J Mulhall	(appointed 30 April 1996)	
M R Puttock		
P F O'Connor	(resigned 30 April 1996)	
D R Hooper	(resigned 30 April 1996)	(alternate to P F O'Connor)
G B Cuthbertson		

The Directors had no interest in the shares of the Company. The interests of the Directors in office at 30 September 1995 in shares of other companies in the Berisford Group are set out in Note 9 to the accounts.

The interests of P F O'Connor in the ordinary shares of the ultimate holding company Berisford plc are disclosed in the accounts of that company and the interests of the remaining Directors in office at the year end are as follows:

	<u>At 30 September 1995</u>			<u>At 1 October 1994 or date of appointment</u>		
	<u>Executive Share Option Scheme</u>	<u>SAYE Share Option Scheme</u>	<u>Ordinary Shares</u>	<u>Executive Share Option Scheme</u>	<u>SAYE Share Option Scheme</u>	<u>Ordinary Shares</u>
G B Cuthbertson	216,963	23,814	Nil	216,963	23,814	Nil
M R Puttock	18,787	23,814	Nil	18,787	23,814	4,835
D R Hooper	144,641	10,986	Nil	126,561	10,986	Nil

Following the Berisford plc Rights Issue of 5% Convertible Unsecured Loan Stock announced on 20 December 1994 the share options were adjusted in accordance with Inland Revenue approval. The data as at 1st October 1994 have been restated as a result of the adjustment.

BERISFORD (UK) LIMITED**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 of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:-

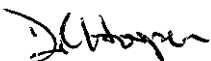
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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. They 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

By a letter dated 15 September 1995 Coopers & Lybrand resigned as auditors to the Company. This followed a review of auditors for the entire Berisford group of companies. At a Board Meeting on 6 October 1995 Touche Ross & Co. were appointed to fill the casual vacancy with effect from 25 September 1995, and a resolution confirming their appointment, under their new name of Deloitte & Touche, will be put to the members in general meeting.

BY ORDER OF THE BOARD



D R Hooper
Secretary
Number One
Baker Street
London
W1M 1AA

BERISFORD (UK) LIMITED**REPORT OF THE AUDITORS
TO THE MEMBERS OF BERISFORD (UK) LIMITED**

We have audited the financial statements on pages 4 to 7.

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, on those statements and to report our opinion to you.

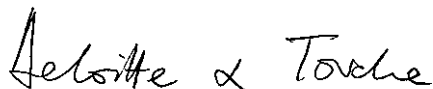
Basis of opinion

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 the Company's affairs at 30 September 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors
London

24 July 1996

BERISFORD (UK) LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 30 SEPTEMBER 1995

	<u>Notes</u>	<u>1995</u> £'000	<u>1994</u> £'000
Interest receivable and similar income	2	-	27
Administration expenses and operating charges		(95)	(76)
Provision for doubtful debts and future legal costs		-	(119)
		<hr/>	<hr/>
Loss before taxation - Continuing activities	3	(95)	(168)
Taxation	4	-	-
		<hr/>	<hr/>
Loss for the year		(95)	(168)
Retained deficit brought forward		(5,775)	(5,607)
		<hr/>	<hr/>
Retained deficit carried forward		(5,870)	(5,775)
		<hr/>	<hr/>

The Company has no recognised gains and losses other than those included in the profit and loss account above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss for the year stated above, and its historical cost equivalents.

The notes on pages 6 and 7 form an integral part of these financial statements.

BERISFORD (UK) LIMITED**BALANCE SHEET**
AS AT 30 SEPTEMBER 1995

	<u>Notes</u>	<u>1995</u> £'000	<u>1994</u> £'000
CURRENT ASSETS			
Loans receivable	5	2,018	2,778
Taxation recoverable		-	63
Amounts due from ultimate holding company		23,619	22,852
Cash at bank		185	249
		<hr/>	<hr/>
		25,822	25,942
 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Other Creditors		(5)	(30)
		<hr/>	<hr/>
NET CURRENT ASSETS		25,817	25,912
		<hr/>	<hr/>
Share Capital	6	31,687	31,687
Retained Deficit		(5,870)	(5,775)
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS		25,817	25,912
		<hr/>	<hr/>

The financial statements on pages 4 to 7 were approved by the Board of Directors on 23rd July 1996 and signed on their behalf by:



Director

The notes on pages 6 and 7 form an integral part of these accounts.

BERISFORD (UK) LIMITED**NOTES TO THE ACCOUNTS FOR
THE YEAR ENDED 30 SEPTEMBER 1995****1. ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the major accounting policies, which have been applied consistently, is set out below.

- a) The financial statements have been prepared in accordance with the historical cost convention.
- b) Trade debtors are stated after provision for bad and doubtful debts.
- c) The Company has not presented a statement of cash flows for the current year as its ultimate parent company has complied with the requirements of Financial Reporting Standard 1.

2. INTEREST RECEIVABLE

	<u>1995</u> £'000	<u>1994</u> £'000
From third parties	-	27
	<hr/>	<hr/>

3. LOSS BEFORE TAXATION

Loss before taxation is stated after audit fees of £3,000 (1994 £5,000). Directors' emoluments, to the extent relevant to the Company, were borne by the ultimate parent company.

4. TAXATION

Any taxable losses in respect of 1995 surrendered to Group companies will be for £Nil consideration.

5. LOANS RECEIVABLE

Of the loans receivable there are no amounts repayable by customers after more than one year (1994: £Nil). Provision has been made against bad and doubtful debts. However every effort is being made to collect all outstanding loans. In the opinion of the Directors the net amount stated in the balance sheet is recoverable.

BERISFORD (UK) LIMITED

NOTES TO THE ACCOUNTS FOR **THE YEAR ENDED 30 SEPTEMBER 1995 (continued)**

6. SHARE CAPITAL

	<u>1995</u> £'000	<u>1994</u> £'000
Authorised:		
35,000,000 ordinary shares of £1 each	35,000	35,000
	<hr/>	<hr/>
Allotted and fully paid:		
31,686,531 ordinary shares of £1 each	31,687	31,687
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7. CONTINGENT LIABILITIES

There is a contingent liability in respect of the cross guarantee, given by the Company together with other members of the Berisford Group, in favour of National Westminster Bank plc.

There are indemnities totalling £73,964 (1994 £37,290) in favour of the National House Builders Council.

8. ULTIMATE HOLDING COMPANY

The ultimate holding company is Berisford plc a company registered in England and Wales. The accounts of the ultimate holding company are available from:

The Secretary
Number One
Baker Street
London
W1M 1AA

9. DIRECTORS' INTERESTS IN OTHER BERISFORD GROUP COMPANIES

	Nominal value of Ordinary Shares Held	30 Sep. 1995	1 Oct. 1994 or date of appointment
Non beneficial interests of P F O'Connor in:			
Berisford Property Investments Limited	50p	1	1
S&W Berisford Limited	£1	1	1
J. H. Rayner (Mincing Lane) Limited	£1	1	1
Berisford Treasury Limited	£1	1	1
Turner Curzon Limited	5p	1	1