

REGISTRATION NO. 409591

INVESTMENT & SECURITIES TRUST LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000



INVESTMENT & SECURITIES TRUST LIMITED

COMPANY INFORMATION

Directors	Mrs L.F. Voice M.J. Ozin
Secretary	M.J. Ozin
Registration No.	409591 - Registered in England and Wales
Registered Office	118 Seymour Place London, W1H 5DJ.
Auditors	Wilson Wright & Co., Chartered Accountants, 71 Kingsway, London, WC2B 6ST.
Bankers	National Westminster Bank plc.

INVESTMENT & SECURITIES TRUST LIMITED

CONTENTS

	Page
Report of the Directors	1
Report of the Auditors	2
Profit and Loss Account	3
Balance Sheet	4
Statement of Total Recognised Gains and Losses	5
Notes to the Accounts	6

INVESTMENT & SECURITIES TRUST LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2000

The directors submit their annual report and financial statements for the year ended 31 March 2000.

Principal Activity

The company's principal activity is that of property dealing and investment.

Directors

The director's in office in the year were as follows:

	ordinary shares of £1 each	
	31 March 2000	1 April 1999
Mrs L.F. Voice	-	-
M.J. Ozin	-	-

The Director's beneficial interests in the issued share capital of the parent company, Woolcastle limited, is as stated in the report of the directors of that company.

Mrs L.F. Voice, M.J. Ozin and B. Carmel, a partner in Wilson Wright & Co, the company's auditors, held a non beneficial interest in 76 shares of Woolcastle Limited as executors for the period 1 April 1999 to 17 December 1999.

Directors' Responsibilities

The directors are obliged under company law to prepare financial statements for each financial year.

The financial statements, of which the form and content is prescribed by the Companies Act 1985, must give a true and fair view of the state of affairs of the company at the end of the financial year, and of the profit or loss for that period, and they must comply with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements. The directors must 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 also responsible for the adoption of suitable accounting policies, their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements.

The directors confirm that the above requirements have been complied with in the financial statements.

In addition, the directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the company and to prevent and detect fraud or any other irregularities.


Auditors

The auditors, Wilson Wright & Co., will be re-appointed in accordance with Section 386(2) of the companies Act 1985.

Small Company Exemptions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD


.....
M.J. Ozin
SECRETARY

DATE: 12/10/2000

REPORT OF THE AUDITORS TO THE MEMBERS OF INVESTMENT & SECURITIES TRUST LIMITED

We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described in the Directors' Report, the company's directors are responsible for the preparation of the 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.

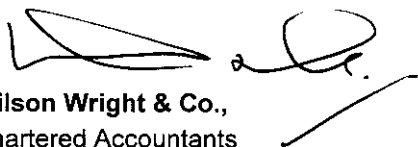
Basis of Opinion

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 31 March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Wilson Wright & Co.,
Chartered Accountants
and Registered Auditors,
71 Kingsway,
London, WC2B 6ST.

DATE: 19 October 2000

INVESTMENT & SECURITIES TRUST LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000

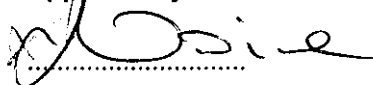
	Notes	2000 £	£	1999 £	£
Turnover			79,625		29,536
Cost of sales			44,831		8,602
Gross Profit			34,794		20,934
Rent receivable		827,190		751,521	
Property expenses		276,713		220,306	
			550,477		531,215
			585,271		552,149
Distribution and marketing costs		2,439		2,176	
Administrative and establishment expenses		629,577		561,166	
			632,016		563,342
Operating Loss	2		(46,745)		(11,193)
Income from investments		682		128	
Interest receivable		1,637		4,177	
			2,319		4,305
			(44,426)		(6,888)
Interest payable			1,704		565
Loss on Ordinary Activities before Taxation			(46,130)		(7,453)
Taxation	3		8,600		15,776
Loss for the Financial Year	10		(54,730)		(23,229)

INVESTMENT & SECURITIES TRUST LIMITED
BALANCE SHEET AT 31 MARCH 2000

	Notes	2000 £	£	1999 £	£
Fixed Assets					
Tangible assets	4		6,928,049		6,604,892
Current Assets					
Stock		1,261,844		1,306,226	
Debtors	5	17,831		19,106	
Investments	6	4,035		4,368	
Cash at bank and in hand		32,204		491,275	
		<u>1,315,914</u>		<u>1,820,975</u>	
Current Liabilities					
Creditors: amounts falling due within one year	7	<u>1,687,051</u>		<u>2,149,225</u>	
Net Current Liabilities			<u>(371,137)</u>		<u>(328,250)</u>
Total Assets less Current Liabilities			<u>6,556,912</u>		<u>6,276,642</u>
Capital and Reserves					
Called up share capital	9		100		100
Revaluation reserve	10		5,685,867		5,350,867
Profit and loss account	10		<u>870,945</u>		<u>925,675</u>
Shareholders' Funds			<u>6,556,912</u>		<u>6,276,642</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Approved by the Board



Director

Date: 12/10/2000

INVESTMENT & SECURITIES TRUST LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2000

	2000 £	1999 £
Loss for the Financial Year	(54,730)	(23,229)
Unrealised surplus on revaluation of investment properties	335,000	470,000
Total Recognised Gains and Losses Relating to the Year	<u>280,270</u>	<u>446,771</u>

INVESTMENT & SECURITIES TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

1 Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

Turnover represents sales of properties, all of which arises in the United Kingdom.

1.3 Tangible fixed assets

Depreciation is provided on a straight line basis at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, fittings and equipment	10% / 33.33%
Motor vehicles	25%

No depreciation is charged on investment properties (see 1.5 below).

1.4 Investment properties

No depreciation is provided on investment properties, and they are included in the balance sheet at their open market value. Any aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve. Deficits on individual investment properties that are expected to be permanent are charged to the profit and loss account.

2 Operating Loss

	2000 £	1999 £
The operating loss is stated after charging:		
Directors' emoluments	795,605	702,827
Depreciation of tangible fixed assets	28,502	25,910
Auditors' remuneration	3,500	3,500
	<u>795,605</u>	<u>702,827</u>

There are 2 directors for whom retirement benefits are accruing under defined contribution pension schemes (1999-2).

3 Taxation

	2000 £	1999 £
The tax charge on the loss on ordinary activities for the year was as follows:		
UK corporation tax	12,000	16,000
Tax on investment income	-	26
	<u>12,000</u>	<u>16,026</u>
Adjustment to previous year	(3,400)	(250)
	<u>8,600</u>	<u>15,776</u>

INVESTMENT & SECURITIES TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

4 Tangible Fixed Assets

	Land and buildings Freehold	Land and buildings Leasehold (short)	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 1999	6,365,000	165,000	44,921	235,050	6,809,971
Additions	15,000	-	1,660	-	16,660
Revaluation	335,000	-	-	-	335,000
	<u>6,715,000</u>	<u>165,000</u>	<u>46,581</u>	<u>235,050</u>	<u>7,161,631</u>
Depreciation					
At 1 April 1999	-	-	25,391	179,689	205,080
Charge for year	-	-	4,554	23,948	28,502
	<u>-</u>	<u>-</u>	<u>29,945</u>	<u>203,637</u>	<u>233,582</u>
Net book values					
At 31 March 2000	<u>6,715,000</u>	<u>165,000</u>	<u>16,636</u>	<u>31,413</u>	<u>6,928,049</u>
At 31 March 1999	<u>6,365,000</u>	<u>165,000</u>	<u>19,531</u>	<u>55,361</u>	<u>6,604,892</u>

The freehold and leasehold properties have been revalued by the directors on an open market value basis.

5 Debtors

	2000 £	1999 £
Amounts falling due within one year:		
Trade debtors	4,000	1,936
Amounts owed by group undertakings	205	205
Other debtors	13,626	16,965
	<u>17,831</u>	<u>19,106</u>

6 Current Asset Investments

	2000 £	1999 £
Market valuation of listed investments	<u>6,897</u>	<u>6,021</u>

INVESTMENT & SECURITIES TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

7 Creditors	2000	1999
	£	£
Amounts falling due within one year:		
Trade creditors	293	472,606
Amounts owed to group undertakings	1,452,124	1,439,213
Corporation tax	8,850	16,000
Social security and other taxes	65,364	63,039
Other creditors	160,420	158,367
	<u>1,687,051</u>	<u>2,149,225</u>

8 Deferred Taxation

The amounts provided and not provided for deferred taxation were as follows:

	2000		1999	
	Provided	Not provided	Provided	Not provided
	£	£	£	£
Surplus on revaluation of land and buildings	<u>-</u>	<u>355,000</u>	<u>-</u>	<u>290,000</u>

9 Share Capital	2000	1999
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

10 Statement of Movements on Reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 April 1999	5,350,867	925,675
Loss for the financial year	-	(54,730)
Revaluation during the year	<u>335,000</u>	<u>-</u>
Balance at 31 March 2000	<u>5,685,867</u>	<u>870,945</u>

11 Pension Costs

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions paid by the company to the funds and amounted to £48,730 (1999- £50,230).

INVESTMENT & SECURITIES TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

12 Related Party Disclosures

12.1 Control

The company is a wholly owned subsidiary of Woolcastle Limited. The ultimate controlling party is L.F. Voice. In accordance with FRS 8 transactions with Woolcastle Limited or fellow group companies have not been disclosed as the consolidated financial statements of Woolcastle are publicly available.

12.2 Balances

At 31 March 2000

(a) L.F. Voice and M.J. Ozin have a material interest in Manning & Co., which at 31 March 2000 was owed by the company £293 (at 31 March 1999-£8,244).

(b) L.F. Voice and M.J. Ozin have a material interest in Border Investments Limited which at 31 March 2000 was owed by the company £33,000 (at 31 March 1999-£nil).