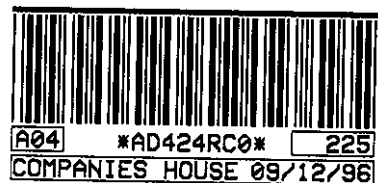


T L WINWOOD LIMITED

COMPANY NUMBER 00547102

DIRECTORS REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 1996



LAUD, GRICE & CO
CHARTERED ACCOUNTANTS

T L WINWOOD LIMITED

DIRECTORS REPORT

The directors present their annual report together with the Financial Statements for the year ended 31 March 1996.

Principal Activity and Review of Business

The principal activity of the company is Property Management. The results for the year are set out on page 3.

Directors

The directors of the company throughout the year and their shareholdings were as follows:-

T L Winwood Esq - 1005 Ordinary Shares (Died on 23 September 1996)
Mrs B J Winwood - 500 Ordinary Shares

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;
- * 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.

Audit

The directors have decided to take advantage of the provisions of Section 249 A of the Companies Act 1985 and therefore an audit has not been carried out for the year under review.

This report was approved by the Board of Directors on *2 DECEMBER 1996* taking advantage of special exemptions available to small companies as conferred by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the Board of Directors

B. J. Winwood

B J Winwood
Director

T L WINWOOD LIMITED

BALANCE SHEET

AS AT 31 MARCH 1996

<u>1995</u>			
£	p	£	p
165832.85		<u>TANGIBLE FIXED ASSETS</u> (Note 3)	165438.85
<u>2048.10</u>		<u>INVESTMENTS</u> (Note 2)	<u>2048.10</u>
167880.95			167486.95
		<u>CURRENT ASSETS</u>	
	2190.36	Debtors (Note 4)	3750.36
		Loan: T L Winwood Carpets and	
	113622.89	Textiles Limited (Note 2)	114122.89
	<u>4966.64</u>	Bank Current Account	<u>9489.53</u>
	120779.89		127362.78
		<u>LESS: CREDITORS</u> Amounts due within	
	<u>163858.99</u>	one year (Note 5)	<u>157429.37</u>
(<u>43079.10</u>)		<u>NET CURRENT LIABILITIES</u>	(<u>30066.59</u>)
<u>£124801.85</u>		<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	<u>£137420.36</u>
		<u>CAPITAL AND RESERVES</u>	
1905.00		Share Capital (Note 6)	1905.00
64462.00		Revaluation Reserve (Note 3)	64462.00
<u>58434.85</u>		Profit and Loss Account	<u>71053.36</u>
<u>£124801.85</u>		<u>SHAREHOLDERS FUNDS</u>	<u>£137420.36</u>

The directors confirm that:

- (a) for the year in question the company was entitled to exemption under subsection (1) of Section 249 A of the Companies Act 1985.
- (b) no notice has been deposited under Section 249 B (2) in relation to its accounts for the financial year, and
- (c) they acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221, and
 - (ii) preparing accounts 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 its profit for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

In preparing these financial statements we have taken advantage of the special exemptions applicable to small companies as conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company is entitled to those exemptions as a small company by virtue of Section 247 of the Companies Act 1985.

Approved by the Board of Directors on 2 DECEMBER 1996

B. J. Winwood

B J Winwood
Director

T L WINWOOD LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1996

<u>1995</u>			
£	p		£ p
22616.64		<u>TURNOVER</u> - Continued Operations (Note 1)	28497.57
<u>5545.83</u>		Administrative Expenses	<u>11745.18</u>
17070.81		<u>OPERATING PROFIT</u>	16752.39
<u>759.93</u>		<u>INTEREST PAYABLE</u>	<u>173.38</u>
16310.88		<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>	16579.01
		<u>TAXATION</u>	
		Corporation Tax based on results for the year at 25% (1995 - 25%)	<u>3960.50</u>
<u>2259.50</u>		<u>PROFIT AFTER TAXATION</u>	12618.51
14051.38			
<u>44383.47</u>		<u>RETAINED PROFIT BROUGHT FORWARD</u>	<u>58434.85</u>
<u>£58434.85</u>		<u>RETAINED PROFIT CARRIED FORWARD</u>	<u>£71053.36</u>

There were no recognised gains or losses in the year other than those included in the Profit and Loss Account.

The notes on pages 4 to 6 form part of these financial statements.

T L WINWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention and incorporate the results of the principal activity which is described in the Directors Report and which is continuing.

Cash Flow Statement

The company is a small company and is therefore exempt from preparing a cash flow statement under Financial Reporting Standard No. 1.

Turnover

Turnover represents rents received from the properties owned by the company.

Depreciation

Depreciation has been provided at the following rate in order to write off the asset over its estimated useful life.

Motor Vehicle	25% reducing balance
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No depreciation is provided on Land and Buildings as these are Investment Properties.

2. INVESTMENTS

Shares held in the following companies:-

T L Winwood (Agricultural) Company Limited

1001 shares of 1401 shares issued	
Retained earnings at 31 October 1995	£50245.56

T L Winwood (Kidderminster) Carpets Limited

500 ordinary shares of 1900 shares issued	
Retained earnings at 31 March 1996	£34282.67

T L Winwood Carpets and Textiles Limited

440 ordinary shares of 2000 shares issued	
Deficit at 31 March 1996	£207109.46

North Midland Construction Limited

44 ordinary shares cost £107.10	
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The directors do not consider that the cost of producing consolidated accounts incorporating the results of subsidiary and associated companies would sufficiently enhance the disclosed figures to justify incurring that cost.

T L Winwood Carpets and Textiles Limited has ceased to trade since the year end and the majority of the £114122.89 due from that company will be written off in the next accounts.

T L WINWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

3. TANGIBLE ASSETS

	<u>TOTAL</u>		<u>Freehold Land & Buildings Much Cowarne</u>		<u>Buildings Much Cowarne</u>		<u>Freehold Land & Buildings Bromyard</u>		<u>Motor Vehicles & Equipment</u>	
	£	p	£	p	£	p	£	p	£	p
<u>Cost or Revaluation</u>										
Balance as at										
1 April 1995	170833.85		30000.00		54622.85		80000.00		6211.00	
Disposals	(3611.00)		- -		- -		- -		(3611.00)	
Balance as at	167222.85		30000.00		54622.85		80000.00		2600.00	
31 March 1996										
<u>Depreciation</u>										
Balance as at										
1 April 1995	5001.00		- -		- -		- -		5001.00	
On Disposal	(3489.00)		- -		- -		- -		(3489.00)	
Charge for										
the Year	272.00		- -		- -		- -		272.00	
Balance as at	1784.00		- -		- -		- -		1784.00	
31 March 1996										
<u>Net Book Value</u>										
31 March 1996	<u>£165438.85</u>		<u>30000.00</u>		<u>54622.85</u>		<u>80000.00</u>		<u>816.00</u>	
31 March 1995	<u>£165832.85</u>		<u>30000.00</u>		<u>54622.85</u>		<u>80000.00</u>		<u>1210.00</u>	

The buildings at Much Cowarne were built by the company on land owned by one of the directors, there being no formal lease in existence. If the land at Much Cowarne is sold the directors have agreed to reimburse the company for the value of the buildings it has constructed.

All Land and Buildings owned by the company are Investment Properties. The value of the Buildings at Much Cowarne have been left at cost as, in the opinion of the directors, they are unlikely to realise in excess of this figure. At present no valuation has been obtained for the Land and Buildings at Bromyard but in the opinion of the directors it is likely to realise in the region of £80000 compared to an original cost of £15538. The excess of £64,462 was credited to a revaluation reserve but no provision has been made for any capital gains tax which may arise on realisation of the property at its revalued amount.