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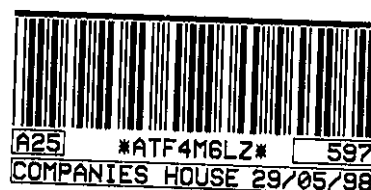
HOWARDS AND COMPANY (BRENTWOOD) LIMITED

FINANCIAL STATEMENTS

30TH APRIL 1997

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Company Registration No: 582566



HOWARDS AND COMPANY (BRENTWOOD) LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 30th April 1997.

PRINCIPAL ACTIVITY

The principal activity of the company is that of provision of management services.

DIRECTORS

The directors who served during the year, and their respective shareholdings at the beginning and end of the year, were as follows:

	£1 Ordinary shares	
	<u>1st May 1996</u>	<u>30th April 1997</u>
Mrs C.F. Carroll	50	50
Mr. J.R. Carroll	40	40
	—	—
	90	90
	—	—

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 249A of the Companies Act 1985 and therefore an audit has not been carried out for the year under review.

SMALL COMPANY RULES

Advantage has been taken in the preparation of this report of the special exemptions applicable to small companies.

BY ORDER OF THE BOARD

P. Mecklenburgh

SECRETARY

27th May 1998

HOWARDS AND COMPANY (BRENTWOOD) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30TH APRIL 1997**

	<u>Notes</u>		<u>1996</u>
COMMISSION AND FEES		89,365	81,494
Net operating expenses	3.	(101,765)	(98,102)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST	4.	(12,400)	(16,608)
Interest payable		(1,076)	(1,419)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(13,476)	(18,027)
Taxation	5.	-	1,114
		<hr/>	<hr/>
RETAINED LOSS FOR THE FINANCIAL YEAR		<u>£(13,476)</u>	<u>£(16,913)</u>

There are no recognised gains and losses in the year other than the loss for the year, which was derived from continuing operations.

HOWARDS AND COMPANY (BRENTWOOD) LIMITED

BALANCE SHEET AT 30TH APRIL 1997

<u>FIXED ASSETS</u>	<u>Notes</u>		<u>1996</u>
Tangible assets	6.	20,170	22,540
<u>CURRENT ASSETS</u>			
Debtors	7.	54,523	56,992
Bank - Clients		74,055	75,644
Bank - Office		26	168
		<u>128,604</u>	<u>132,804</u>
<u>CREDITORS</u> : due within one year	8.	(252,356)	(245,450)
		<u>128,604</u>	<u>132,804</u>
<u>NET CURRENT LIABILITIES</u>		(123,752)	(112,646)
		<u>(123,752)</u>	<u>(112,646)</u>
<u>NET LIABILITIES</u>		£(103,582)	£(90,106)
		<u>£(103,582)</u>	<u>£(90,106)</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	10.	100	100
Profit and loss account	10.	(103,682)	(90,206)
		<u>(103,682)</u>	<u>(90,206)</u>
		<u>£(103,582)</u>	<u>£(90,106)</u>

We confirm that the company was entitled for the year ended 30th April 1997 to audit exemption under s249(A)(1) and that no notice has been deposited under s249(B)(2) requiring an audit of the financial statements for the year.

We acknowledge our responsibilities for ensuring that the company keeps accounting records which comply with s221 and for preparing financial statements which give a true and fair view of the state of the company's affairs at the end of the year and its results for the year in accordance with s226 and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

In preparing these financial statements we have taken advantage of the special exemptions applicable to small companies conferred by sections 246 and 247 of the Companies Act 1985 on the grounds that the company is entitled to those exemptions as a small company.

J.R. Carroll

C.F. Carroll


DIRECTORS



These financial statements were approved by the board of directors on
27th May 1998.

NOTES TO THE FINANCIAL STATEMENTS

30TH APRIL 1997

1. BASIS OF PREPARING THE FINANCIAL STATEMENTS

At the 30th April 1997, the company's current liabilities exceeded its current assets by £123,752.

J.R. Carroll, a director and major creditor of the company, has indicated that he will continue to support the company in the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

2. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a. Basis of accounting

These financial statements have been prepared under the historical cost accounting convention and in accordance with applicable accounting standards.

b. Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets by annual amounts over their expected useful lives.

The following rates of depreciation are employed:

Motor vehicles	25% on reducing balance
Furniture and equipment	10% on reducing balance

c. Deferred taxation

No provision is made for deferred taxation as it is reasonably probable that there will not be an actual tax liability in the foreseeable future arising from the reversal of timing differences.

3. NET OPERATING EXPENSES

		<u>1996</u>
Administrative expenses	£101,765	£98,102
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

30TH APRIL 1997

4. LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST

The loss is stated after charging or crediting the following: 1996

Depreciation:		
Owned tangible fixed assets	£4,126	£1,247
Assets held under hire purchase contracts	-	3,771

Income from related companies	£42,100	£29,582

DIRECTOR'S EMOLUMENTS

Fees	£ -	£ -

5. TAXATION

Taxation based on the results for the year	-	-
(Over) under provision previous years	-	(1,114)
	£ -	£(1,114)

6. TANGIBLE ASSETS

<u>COST</u>	<u>Motor Vehicles</u>	<u>Furniture and Equipment</u>	<u>Total</u>
At 1st May 1996	17,395	24,485	41,880
Additions	-	1,756	1,756
At 30th April 1997	17,395	26,241	43,636
 <u>DEPRECIATION</u>			
At 1st May 1996	6,083	13,257	19,340
Charges in year	2,828	1,298	4,126
At 30th April 1997	8,911	14,555	23,466
 <u>NET BOOK VALUE</u>			
At 30th April 1997	£8,484	£11,686	£20,170
At 30th April 1996	£11,312	£11,228	£22,540

HOWARDS AND COMPANY (BRENTWOOD) LIMITED**NOTES TO THE FINANCIAL STATEMENTS CONTINUED****30TH APRIL 1997****7. DEBTORS****1996**

Trade debtors	-	956
Related companies	50,086	53,742
Other debtors	4,437	2,294
	<hr/>	<hr/>
	£54,523	£56,992
	<hr/>	<hr/>

8. CREDITORS: due within one year

Bank overdraft	53,414	47,489
Related companies	68,735	69,395
Taxation and social security	10,638	6,131
Other creditors - clients	66,715	79,664
Other creditors - office	50,854	37,484
Accruals	2,000	2,847
Hire purchase	-	2,440
	<hr/>	<hr/>
	£252,356	£245,450
	<hr/>	<hr/>

HOWARDS AND COMPANY (BRENTWOOD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

30TH APRIL 1997

10. SHAREHOLDERS' FUNDS

	<u>Called up share capital</u>	<u>Profit and Loss account</u>	<u>Total</u>
Balance at 1st May 1996	100	(90,206)	(90,106)
Transfer from profit and loss account	-	(13,476)	(13,476)
	<u>—</u>	<u>—</u>	<u>—</u>
Balance at 30th April 1997	£100	£(103,682)	£(103,582)
	<u>==</u>	<u>==</u>	<u>==</u>

The share capital comprises:

1996

Authorised:

1,000 ordinary shares of £1 each

£1,000

£1,000

Called up, allotted and fully paid:

100 ordinary shares of £1 each

£100

£100

The movements in shareholders' funds in the previous year are set out below:

	<u>Called up share capital</u>	<u>Profit and Loss account</u>	<u>Total</u>
Balance at 1st May 1995	100	(73,293)	(73,193)
Transfer from profit and loss account	-	(16,913)	(16,913)
	<u>—</u>	<u>—</u>	<u>—</u>
Balance at 30th April 1996	£100	£(90,206)	£(90,106)
	<u>==</u>	<u>==</u>	<u>==</u>

11. TRANSACTIONS INVOLVING DIRECTORS

The company manages certain properties owned by J.R. Carroll, a director of the company and charges commission and management fees for these services at commercial rates. At the balance sheet date the amount due from the company to J.R. Carroll on clients' account amounted to £13,609.

12. CONTINGENT LIABILITIES

The company has entered into an arrangement with Westbury Investments Limited and Longfeld Investments Limited giving Lloyds Bank plc the right at any time to combine or consolidate all or any of the bank accounts of these companies.