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ACCOUNTANTS REPORT TO THE MEMBERS

We report on the Accounts for the year ended 5th April 1997, set out on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 3, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act and did not, at any time within that year, falling within any of the categories of companies not entitled to the exemption specified in Section 249B(1)



NEILSON & COMPANY
CHARTERED ACCOUNTANTS

8 Fairfax Mansions,
Finchley Road,
London,
NW3 6JY.

25th June 1997



BALANCE SHEET AS AT 5TH APRIL 1997

	<u>1997</u>	<u>1996</u>
	£	£
<u>TANGIBLE FIXED ASSETS</u>	158,723	158,945
<u>INVESTMENTS - At Cost</u>	197,753	186,420
	-----	-----
	356,476	345,365
<u>CURRENT ASSETS</u>		
Debtors	18,484	314
Cash at Bank and in Hand	17,081	68,401
	-----	-----
	35,565	68,715
<u>CREDITORS</u>		
Amounts falling due within one year	69,981	60,058
	-----	-----
	(34,416)	8,657
	-----	-----
	£322,060	£354,022
	=====	=====
<u>CAPITAL AND RESERVES</u>		
<u>SHARE CAPITAL</u>		
<u>Authorised, Allotted & Fully Paid</u>		
300 Ordinary Shares of £1 Each	300	300
<u>CAPITAL RESERVE</u>	13,049	13,049
<u>PROFIT AND LOSS ACCOUNT</u>	308,711	340,673
	-----	-----
	£322,060	£354,022
	=====	=====

In the opinion of the directors, the company is entitled to the exemption under section 249A(2) of the Companies Act 1985. The directors confirm that no notice has been deposited under section 249B (2) of the Companies Act 1985 in relation to these financial statements. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 5th April 1997 and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

L.J. STOLL LIMITED

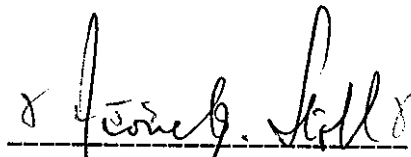
BALANCE SHEET AS AT 5TH APRIL 1997 (CONTINUED)

The directors have taken advantage of the special exemptions conferred by Schedule 8 of the Companies Act 1985 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company is entitled to make use of the special exemptions.

In preparing these modified Accounts:

- (a) the directors have relied upon the exemption for individual accounts under Section 247 - 249 of the Companies Act 1985;
- (b) the directors have done so on the grounds that the Company is entitled to the benefit of those exemptions as a small company.

Approved by the Board of Directors on 8th June 1997 and signed on its behalf by:



DR. L.J. STOLL (Director)

L.J. STOLL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5TH APRIL 1997

1. ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Depreciation

Depreciation is calculated to write down the cost of the assets over their expected useful lives, at the following rates:

Fixtures and Fittings 20% Reducing Balance Method

1.3 Turnover

Turnover represents the gross rents receivable during the year.

2. TANGIBLE FIXED ASSETS

	<u>Fixtures & Fittings</u>	<u>Freehold Properties</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost as at 6th April 1996 and 5th April 1997	£3,387 =====	£157,835 =====	£161,222 =====
Depreciation at 6th April 1996	2,277	-	2,277
Charge for the year	222 -----	- ---	222 -----
Depreciation as at 5th April 1997	£2,499 =====	£ - =====	£2,499 =====
NET BOOK VALUE			
at 5th April 1997	£888 =====	£157,835 =====	£158,723 =====
at 5th April 1996	£1,110 =====	£157,835 =====	£158,945 =====