

Atreus Investments Limited
Directors' Report and Accounts for the year ended
30 June 1997

Company Number: 00784600



McLaren Soares & Co Ltd
3 Old Garden House
The Lanterns
Bridge Lane
London SW11 3AD

Atreus Investments Limited

Directors' Report

The Directors submit their report and accounts for the year ended 30 June 1997.

Activities and Business Review

The principal activity of the company is that of property owning and developing.

Results and Dividends

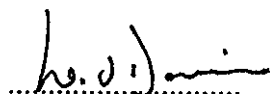
The results for the year are set out on page 3. The Directors do not recommend the payment of a dividend.

Directors and their Shareholdings

The Directors who served during the year and their interests in the share capital of the company were as follows:

	Ordinary Shares of £1 Each	
	1997	1996
W.J. Davies	-	-

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.



Secretary

Atreus Investments Limited

Profit and Loss Account for the Year ended 30 June 1997

	Notes	1997 £	1996 £
Turnover	(1)	28,664	38,808
Administration Expenses		19,551	(19,360)
Operating Profit		<u>9,113</u>	<u>19,448</u>
Loan Interest (Gross)		(9,000)	(9,000)
Profit on ordinary activities before Taxation		<u>113</u>	<u>10,448</u>
Taxation	(2)	-	-
Profit on ordinary activities after Taxation		<u>113</u>	<u>10,448</u>
Retained Profit Brought Forward		21,934	11,486
Retained Profit Carried Forward		<u>£ 22,047</u>	<u>£ 21,934</u>

The company made no recognised gains or losses in the year other than a profit for the year.

The notes on page 5 to 7 form part of these accounts.

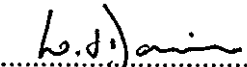
Atreus Investments Limited
Balance Sheet as at 30 June 1997

	Notes	1997	1996
		£	£
Fixed Assets	(3)	204,023	205,066
Investments	(4)	100,100	100,100
		<u>304,123</u>	<u>305,166</u>
Current Assets	(5)	50,950	45,950
Creditors: Amounts falling due within one year	(6)	(63,381)	(59,537)
Net Current Assets (Liabilities)		<u>(12,431)</u>	<u>(13,587)</u>
Total Assets Less Current Liabilities		<u>291,692</u>	<u>291,579</u>
Creditors: Amounts falling due after more than one year	(7)	£ (90,000)	£ (90,000)
Net Assets		<u>£ 201,692</u>	<u>£ 201,579</u>
Represented by:			
Share Capital	(8)	100	100
Revaluation Reserve	(1(b))	179,545	179,545
Profit and Loss Account		22,047	21,934
		<u>£ 201,692</u>	<u>£ 201,579</u>

Note: The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit. The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Company Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 30 June 1997 and of its profit for the period then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The Directors have taken advantage of special exemptions conferred by schedule 8 of the companies Act 1985 applicable to small companies on the grounds that, in their opinion, the company is entitled to these exemptions.

The accounts were approved by the board on 27 April 1998 and signed on its behalf.

 } **DIRECTOR**
W J Davies

Atreus Investments Limited

Notes to the Financial Accounts for the Year ended 30 June 1997

1. *Principal Accounting Policies*

The financial statements have been prepared in accordance with the historical cost convention and applicable Accounting and Financial Reporting Standards. Exemption has been taken from the requirement to prepare a cash flow statement on the grounds that the company is a small company. A summary of the more important accounting policies of the company, which have been consistently applied, is set out below:

(a) *Turnover*

Turnover represents rents received during the year excluding VAT.

(b) *Tangible Fixed Assets*

Freehold property is stated in the accounts at Director's valuation.

Tangible fixed assets are stated at their purchase price together with any incidental acquisition costs.

Provision for depreciation is made, so as to write off the cost of tangible fixed assets over their estimated useful economic life, at the following annual rates:

Furniture, Fixtures and Fittings	10% Straight Line Basis
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(c) *Deferred Tax*

No provision is made for deferred taxation in these accounts as the directors consider that it is unlikely that any liability will crystallise in the foreseeable future.

(d) *Group Accounts*

Group accounts have not been prepared taking advantage of exemptions available to small groups.

2. *Taxation*

	1996	1995
	£	£
No provision for Corporation Tax is required as the company is claiming losses under group relief	Nil	Nil
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Atreus Investments Limited

Notes to the Financial Accounts for the Year ended 30 June 1997

3.	<i>Fixed Assets</i>	Freehold Property	Improve- ments to Premises	Furniture Fixtures & Fittings	Total
		£	£	£	£
	Cost or Revaluation				
	As at 1 July 1996	200,000	1,201	19,788	220,989
	Additions in the year	-	-	1,040	1,040
	As at 30 June 1997	200,000	1,201	20,828	222,029
	Depreciation				
	As at 1 July 1996	-	-	15,923	15,923
	Charge for the Year	-	-	2,083	2,083
	As at 30 June 1997	-	-	18,006	18,006
	Net Book Value				
	As at 30 June 1997	200,000	1,201	2,822	204,023
	As at 30 June 1996	£ 200,000	£ 1,201	£ 3,865	£ 205,066
4.	<i>Investments</i>		1997	1996	
			£	£	
	Shares in subsidiary company at cost:				
	Cumulative redeemable preference shares		100,000	100,000	
	Ordinary shares		100	100	
			£ 100,100	£ 100,100	
5.	<i>Debtors</i>				
	Loans		45,325	40,325	
	Interest Receivable (Net)		5,625	5,625	
			£ 50,950	£ 45,950	
6.	<i>Creditors:</i> Amounts falling due within one year				
	Sundry Creditors and Accruals		12,655	10,170	
	Bank Overdraft		50,726	49,367	
			£ 63,381	£ 59,537	

Atreus Investments Limited

Notes to the Financial Accounts for the Year ended 30 June 1997

	1997 £	1996 £
7. Creditors: Amounts falling due after more than one year		
Long term creditors:		
Other Loans	75,000	75,000
Mortgage Loan	15,000	15,000
	<u>£ 90,000</u>	<u>£ 90,000</u>
5. Share Capital		
Authorised Issued and Fully Paid		
100 Ordinary Shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
6. Parent Company		
Bowprine Ltd, a company registered in England, is a wholly owned subsidiary of this company.		
The results of the subsidiary for the year ended 31 December 1996, so far as they concern Atreus Investments Limited, were as follows:		
(i) taken up in the accounts	Nil	
(ii) not taken up in the accounts	Loss £ 100,944	

The aggregate loss of the subsidiary as at 31 December 1996, so far as they concern Atreus Investments Limited, not taken into these accounts amount to £ 314,617.