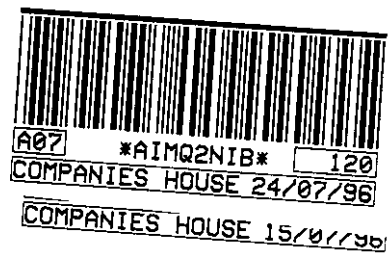


MEYER-BRIDGES EDUCATIONAL
TRUST LIMITED
"ST. LAWRENCE COLLEGE"

REPORT AND
FINANCIAL STATEMENTS

31 AUGUST, 1995





MEYER BRIDGES EDUCATIONAL TRUST

REPORT OF THE DIRECTORS

The Directors submit the audited accounts of the company for the year ending August 31, 1995.

The principal activity of the Company has been the management and operation of "ST. LAWRENCE COLLEGE" in Athens, Greece.

This year the School continued its smooth operation. This has resulted in a further increase of the pupil body.

It is the belief of the directors that the positive trend will continue in the future together with the continuous effort to keep the educational standard at the highest possible level.

The Board take this opportunity to express their appreciation for the efforts made by all staff members, both academic and administrative, for the achievements and the positive results and look forward to a bright future.

The Directors were as follows:

Mr. Nikolaos Analytis
Mr. Georgios Begietis
Mr. Constantinos Ballas
Mr. Galinos Karakostas
Mr. Constantinos Lyberopoulos
Mrs. Barbara Massouras
Mr. Andreas Latsis
Mrs. Eleni-Eftychia Kyriakou
Prof. John Anton

No donations were made for political purposes.

By order of the Board

Galinos Karakostas
Secretary

Mailing Address : P. O. Box 701 51, 16610 Glyfada, Athens, Greece — Fax : (01) 89 80 107

2, Delta Street, Hellinikon 16 777 } Tel. 89 40 696, 89 45 631, 89 81 537, 89 40 138, 89 46 974, 89 43 221
15 A, Proti Street, Hellinikon 16 777 }
3, B Street, Hellinikon 16 777, Tel. 89 43 251

ΟΡΚΩΤΟΙ ΕΛΕΓΚΤΕΣ

ΜΟΥΡ ΣΤΗΒΕΝΣ Α.Ε.

MOORE STEPHENS S.A.

CHARTERED ACCOUNTANTS

93, Akti Miaouli, 185 38 Pireaus - Greece
Mailing Address: P.O. Box 80 132, 185 10 Pireaus - Greece

Telephone: 01 - 429.0620 - 5 (6 Lines) Facsimile: 01 - 429.0375 A.M.A.E.: 29166/02/B/93/185

Your Reference

Our Reference

**TO THE BOARD OF
DIRECTORS OF GOVERNANCE OF
MEYER-BRIDGES EDUCATIONAL TRUST
LIMITED "ST. LAWRENCE COLLEGE"**

We have audited the accompanying balance sheet of the MEYER-BRIDGES EDUCATIONAL TRUST LIMITED "ST. LAWRENCE COLLEGE" as of 31 August, 1995 and the related statements of income and expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the MEYER-BRIDGES EDUCATIONAL TRUST LIMITED "ST. LAWRENCE COLLEGE" management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view, of the financial position of the MEYER-BRIDGES EDUCATIONAL TRUST LIMITED "ST. LAWRENCE COLLEGE" as of 31 August, 1995 and of the results of its operations and of its cash flows for the year then ended in accordance with International Accounting Standards.

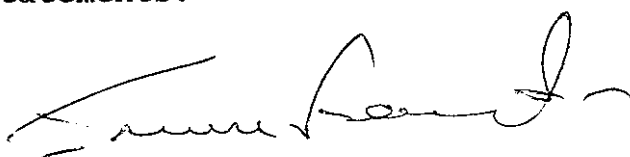
25 June, 1996

Moore Stephens

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
BALANCE SHEET
as of 31 August, 1995
(Expressed in Greek drachmae-note 1)

	<u>Note</u>	<u>1995</u>	<u>1994</u>
Fixed assets			
Tangible assets	3	<u>14,886,535</u>	<u>13,079,220</u>
Non-current assets			
Guarantee deposits	4	11,306,260	10,483,060
Computer Software	5	665,334	853,334
Deferred expenses	6	7,673,353	6,697,448
Staff loans		36,489,188	31,489,188
Payments to contractors	7	<u>275,162,725</u>	<u>140,745,842</u>
Total non-current assets		<u>331,296,860</u>	<u>190,268,872</u>
Current assets			
Accounts receivable-trade	8	26,469,802	20,287,600
Other accounts receivable and prepayments	9	131,788,690	109,217,144
Cash at bank and in hand		<u>64,296,171</u>	<u>10,572,840</u>
Total current assets		<u>222,554,663</u>	<u>140,077,584</u>
Current liabilities			
Salaries payable		--	13,932,607
Accounts payable-trade	10	40,901,639	8,080,654
Accrued expenses		1,293,216	1,559,100
Withholdings and contributions	11	31,644,393	39,083,563
Guarantee received		80,000	--
Deferred income	12	<u>109,111,326</u>	<u>99,595,651</u>
Total current liabilities		<u>183,030,574</u>	<u>162,251,575</u>
Net current assets/(liabilities)		<u>39,524,089</u>	<u>(22,173,991)</u>
Net assets		<u>385,707,484</u>	<u>181,174,101</u>
Represented by:			
Development fund	13	46,158,000	36,930,000
Accumulated fund		<u>339,549,484</u>	<u>144,244,101</u>
		<u>385,707,484</u>	<u>181,174,101</u>

The notes on pages 4 to 13 form an integral part of these financial statements.




MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
 "ST. LAWRENCE COLLEGE"
 STATEMENT OF INCOME AND EXPENDITURE
 For the year ended 31 August, 1995
 (Expressed in Greek drachmae-note 1)

	<u>Note</u>	<u>1995</u>	<u>1994</u>
Income			
Tuition fees and extra activities		786,512,415	615,160,485
Transportation and books		<u>48,180,000</u>	<u>41,478,832</u>
		<u>834,692,415</u>	<u>656,639,317</u>
Expenditure			
Salaries and contributions	14	409,031,839	329,561,794
Professional fees	15	7,214,432	5,820,603
Rents	16	81,559,451	81,098,474
General and administration	17	68,927,554	43,537,229
Transportation and books		52,821,677	38,626,715
Sundries	18	8,128,759	6,943,215
Provision for doubtful receivables	8	5,179,750	3,630,836
Depreciation and amortisation	3,5	6,510,421	5,398,605
Amortisation of deferred expenses	6	8,729,253	7,870,598
Financial expenses		<u>66,976</u>	<u>244,162</u>
		<u>648,170,112</u>	<u>522,732,231</u>
Operating profit		186,522,303	133,907,086
Prior year's expenses	19	(1,051,925)	(29,439,720)
Other income		<u>9,835,005</u>	<u>6,264,621</u>
		195,305,383	110,731,987
Accumulated fund at beginning of the year		<u>144,244,101</u>	<u>33,512,114</u>
Accumulated fund at year end		<u>339,549,484</u> =====	144,244,101 =====

The notes on pages 4 to 13 and form an integral part of these financial statements.

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST, 1995

	<u>1995</u>	<u>1994</u>
Cash flows from operating activities:		
Net income	195,305,383	110,731,987
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation	15,239,674	13,269,203
Provisions for doubtful receivables	5,179,750	3,630,836
Disposals of fixed assets	252,000	--
Changes in operating assets and liabilities:		
(Increase) in accounts receivable	(11,361,952)	(13,193,780)
(Increase) in other accounts receivable and prepayments	(22,571,546)	(149,461,861)
Increase of guarantee received	80,000	--
Increase of accounts payable	18,888,378	2,629,446
(Decrease)/Increase of withholdings	(7,439,170)	14,527,870
(Decrease) of accruals	(265,884)	(564,322)
Increase in other creditors	--	1,601,098
(Increase) in guarantee deposits	(823,200)	(6,850,000)
Increase of deferred income	9,515,675	24,995,874
(Increase) in staff loan	(5,000,000)	--
(Increase) in payment to contractors	(134,416,883)	--
Cash provided by operating activities	<u>62,582,225</u>	<u>11,546,351</u>
Cash flows from investing activities		
Additions to fixed assets	(8,381,736)	(6,537,382)
Additions to deferred expenses	(9,705,158)	(3,813,128)
Cash (used in) investing activities	<u>(18,086,894)</u>	<u>(10,350,510)</u>
Cash flows from financial activities		
Increase of development fund	<u>9,228,000</u>	<u>(10,230,000)</u>
Increase in cash and cash equivalents	53,723,331	1,195,841
Cash and cash equivalents at beginning of year	<u>10,572,840</u>	<u>9,376,999</u>
Cash and cash equivalents at end of year	<u>64,296,171</u>	<u>10,572,840</u>

The notes on pages 4 to 13 and form an integral part of these financial statements.

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
Notes to the financial statements
31 August, 1995

1. Incorporation and establishment in Athens-Greece

Meyer-Bridges Educational Trust Limited ("College") was incorporated on 11 November, 1980 in Cardiff-England, under the companies' Acts 1948/1980, for the purpose of operating as a private co-educational college preparation day-school designed to serve the needs of the English speaking foreign community of Athens.

The establishment and operation of the College in Athens-Greece is based on Licence No.z2/239 dated 11 of November, 1988 issued by the Greek Ministry of Education.

2. Significant Accounting Policies

2.1. Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with International Accounting Standards.

2.2. Tuition fees

Students' tuition fees are accounted for on an accrual basis.

2.3. Depreciation

Depreciation is calculated on the straight line method using the below mentioned rates, to write off the asset less its estimated scrap value over its expected useful life as follows:

Furniture and fittings	20%
Office machines	20%
Equipment	15 - 20%
Motor vehicles	12%
Building installation machinery	20%
Computer software	20%

Installations on operating leased premises are written off over a 3 years period.

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
Notes to the financial statements
31 August, 1995

2. Significant Accounting Policies (cont'd)

2.4. Deferred income

Tuition fees which are received in the current year and pertain to the next academic year are deferred and recognised as income in the next accounting period.

2.5. Related party transactions

Substantial trading transactions and services rendered to the St. Lawrence College in the ordinary course of Business are carried out through related companies and Parties (notes 7, 9 & 10).

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
Notes to the financial statements
31 August, 1995

3. Fixed assets

	<u>Furniture and fittings</u>	<u>Office machines</u>	<u>Equipment</u>	<u>Motor vehicles</u>	<u>Building (1) installation</u>	<u>Other machinery</u>	<u>Under Construction</u>	<u>Total</u>
COST								
Balances 1 Sept. 94	1,567,432	3,774,484	20,608,758	2,180,715	5,510,277	394,448	--	34,036,114
Additions	67,340	1,723,950	6,369,015	--	--	221,431	--	8,381,736
Reclassification	--	--	--	--	--	(45,000)	45,000	--
Disposals/ Adjustments	--	--	--	--	--	(252,000)	--	(252,000)
Balances 31 Aug. 95	<u>1,634,772</u>	<u>5,498,434</u>	<u>26,977,773</u>	<u>2,180,715</u>	<u>5,510,277</u>	<u>318,879</u>	<u>45,000</u>	<u>42,165,850</u>
DEPRECIATION								
Balances 1 Sept. 94	967,141	1,509,621	15,522,566	396,315	2,487,118	74,133	--	20,956,894
Charge for the year	349,983	676,730	4,335,223	266,429	661,233	32,823	--	6,322,421
Disposals	--	--	--	--	--	--	--	--
Balances 31 Aug. 95	<u>1,317,124</u>	<u>2,186,351</u>	<u>19,857,789</u>	<u>662,744</u>	<u>3,148,351</u>	<u>106,956</u>	<u>--</u>	<u>27,279,315</u>
NET BOOK VALUE								
As at 31 Aug. 95	317,648	3,312,083	7,119,984	1,517,971	2,361,926	211,923	45,000	14,886,535
NET BOOK VALUE								
As at 31 Aug. 94	600,291	2,264,863	5,086,192	1,784,400	3,023,159	320,315	--	13,079,220

(1) Installations are on leased premises under the terms of an operating lease.

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
 "ST. LAWRENCE COLLEGE"
 Notes to the financial statements
 31 August, 1995

4. Guarantee deposits

i.	L 2 Building 3, Vita St.-Elliniko	550,000
ii.	L 4 Building 4, Delta St.-Elliniko	1,400,000
iii.	L 9 Building 7, One St.-Elliniko	160,000
iv.	L 7 Building 4B, Delta St.-Elliniko	70,000
v.	L 8 Building 2, Delta St.-Elliniko	6,419,200
vi.	L G 20-21 Building 17, Proti St.- Elliniko	2,500,000
vii.	Apartment in Ag.Paraskevi	180,000
viii.	Electricity	<u>27,060</u>
		11,306,260
		=====

5. Computer software

Cost of EDP software		940,000
Less: Amortisation		(<u>274,667</u>)
		665,333
Good will	9,500,000	
Less: Amortisation	<u>9,499,999</u>	<u>1</u>
		665,334
		=====

The amortisation charged to the statement of income and expenditure account, is 20% per annum (i.e. Drs.188.000.)

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
Notes to the financial statements
31 August, 1995

6. Deferred expenses (net)

The amount of Drs. 7,673,353 represents the cost less amortisation up to 31 August, 1995 of acquisition of the following leases and the cost of making capital expenditure for the various premises suitable for the needs of the college. The above deferred expenses are being amortised over a period of 3 years.

COST	L.1	L.2	L.3	L.4	L.5	L.6	L.7	L.8	L.9	TOTAL
Balances										
1 Sept. 1994	3,628,108	9,002,304	2,726,264	8,568,405	1,108,047	936,923	424,179	18,659,444	439,859	45,493,533
Additions	<u>857,600</u>	<u>7,200,000</u>	<u>--</u>	<u>1,400,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>247,558</u>	<u>9,705,158</u>
Balances										
31 Aug. 1995	<u>4,485,708</u>	<u>16,202,304</u>	<u>2,726,264</u>	<u>9,968,405</u>	<u>1,108,047</u>	<u>936,923</u>	<u>424,179</u>	<u>18,659,444</u>	<u>687,417</u>	<u>55,198,691</u>
AMORTISATION										
Balances										
1 Sept. 1994	3,628,107	9,002,303	2,726,264	7,881,373	1,108,047	936,922	411,908	12,661,303	439,858	38,796,085
Amortisation	<u>285,867</u>	<u>2,400,000</u>	<u>--</u>	<u>936,499</u>	<u>--</u>	<u>--</u>	<u>12,270</u>	<u>5,012,098</u>	<u>82,519</u>	<u>8,729,253</u>
Balances										
31 Aug. 1995	<u>3,913,974</u>	<u>11,402,303</u>	<u>2,726,264</u>	<u>8,817,872</u>	<u>1,108,047</u>	<u>936,922</u>	<u>424,178</u>	<u>17,673,401</u>	<u>522,377</u>	<u>47,525,338</u>
NET BOOK VALUE										
As at 31 Aug. 1995	<u>571,734</u>	<u>4,800,001</u>	<u>--</u>	<u>1,150,533</u>	<u>--</u>	<u>1</u>	<u>1</u>	<u>986,043</u>	<u>165,040</u>	<u>7,673,353</u>
NET BOOK VALUE										
As at 31 Aug. 1994	<u>1</u>	<u>1</u>	<u>--</u>	<u>687,032</u>	<u>--</u>	<u>1</u>	<u>12,271</u>	<u>5,998,141</u>	<u>1</u>	<u>6,697,448</u>

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
 "ST. LAWRENCE COLLEGE"
 Notes to the financial statements
 31 August, 1995

7. **Payments to contractors**

The amount of Drs.275,162,725 is analysed as follows:

- a. An amount of Drs.245,162,725 appearing as due from DIKA Technical and Educational ("DIKA") has been advanced for the construction of new buildings, for the use of St.Lawrence College. DIKA shareholders exercise significant influence over the Board of Governors of the College.
- b. Another amount of Drs.30,000,000 is also a rent prepayment to DIKA for leased premises to the college for the year 1996/1997.

8. **Accounts receivable - trade**

Receivable from students	52,822,793
Less: Provision for doubtful debts	

Pertaining to the following school years

1985-1986	3,590,069	
1986-1987	927,915	
1987-1988	1,021,957	
1988-1989	1,539,272	
1989-1990	2,843,031	
1991-1991	675,288	
1991-1992	4,537,373	
1992-1993	6,038,336	
1993-1994	<u>5,179,750</u>	<u>26,352,991</u>
 Balance		 26,469,802 =====

Included in the amount of Drs.26,469,802 is an amount of Drs.1,310,700 which is outstanding from the school year of 1993-1994.

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
 "ST. LAWRENCE COLLEGE"
 Notes to the financial statements
 31 August, 1995

9. Other accounts receivable and prepayments

Staff loans and advances	1,427,287
Other debtors (reimbursable a/cs)	9,262,800
Other debtors (a)	16,455,480
Manarolis George Civil Engineer	35,050,000
Karakostas Galinos Lawyer (Related party)	34,250,378
Prepaid rents (DIKA S.A.note 7)	26,609,526
Other prepaid expenses	<u>8,733,219</u>
	131,788,690
	=====

- a. Other debtors include an amount of Drs.15,000,000 which was a deposit for rent in 1993. The College is currently suing the receipient and the case will be heard at the appropriate court. The Board of Governors asserts that they are fairly confident of winning the case and therefore there is no need to make a provision for an anticipated loss.

10. Accounts payable - trade

Thraskias S.A.	31,334,208
Books for students Ltd	8,130,290
Mass media	441,668
Other	<u>995,473</u>
	40,901,639
	=====

Thrasakis S.A. is a supplier of goods to the College. One of the shareholders can exercise significant influence over the Board of Governors of the College.

11. Withholdings and contributions payable

Social Security	27,905,819
Taxes and duties	<u>3,738,574</u>
	31,644,393
	=====

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
 "ST. LAWRENCE COLLEGE"
 Notes to the financial statements
 31 August, 1995

12. **Deferred income**

The amount of drs.109,111,326 represents advances by students against tuition and registration fees for the forthcoming academic year.

13. **Development fund**

A small amount is contributed by each student when registering and in theory it will be refundable to the students when leaving or on graduation. In practice this amount accumulates and many students leave without asking for a refund.

14. **Salaries and contributions**

Salaries	322,914,964
Contributions (IKA, stamp duty)	<u>86,116,875</u>
	409,031,839
	=====

15. **Professional fees**

Lawyers fees	4,447,056
Teachers fees	625,843
Others	<u>2,141,533</u>
	7,214,432
	=====

16. **Rents**

School premises

L. 1	6,108,000
L. 2	10,261,440
L. 4	9,466,800
L. 7	1,491,840
L. 8	22,331,149
L. 9	800,000
LG 20-21	29,921,100
Apartment Ag. Paraskevi	<u>1,179,122</u>
	81,559,451
	=====

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
 "ST. LAWRENCE COLLEGE"
 Notes to the financial statements
 31 August, 1995

17. General and Administrative expenses

Athletics supplies	1,457,004
Electricity, heating and water	11,081,178
Transportation	919,746
Postages, telephones and telegrams	2,344,784
Publications	2,282,332
Cleaning expenses	1,499,157
Printing & stationery	4,920,071
Advertising	8,397,903
Seminars expenses	4,802,568
Horse Feed	6,088,621
Travelling expenses	688,144
Medical expenses	116,734
Insurance	2,477,824
Repairs	3,781,887
Taxes and duties	11,948,098
EDP Services	1,834,800
Other	<u>4,286,703</u>
	68,927,554
	=====

18. Sundries

Festivities	1,930,165
Athletic activities and excursions	5,861,009
Penalties of social security	<u>337,585</u>
	8,128,759
	=====

19. Prior year expenses

The College is subject to Teachers' Supplementary Insurance Fund ("Fund") the management of the College reached a settlement with the aforesaid fund to pay amounts due from prior years.

MEYER-BRIDGES EDUCATIONAL TRUST LIMITED
"ST. LAWRENCE COLLEGE"
Notes to the financial statements
31 August, 1995

20. Taxation

The college is a non-profit making organisation and as such, is not subject to any direct taxation on its accumulated funds.

The Ministry of Finance has not carried out any audits of the books, monetary and tax matters since the beginning of operations but the management of the college is confident that there will be no complications upon inspection by the Ministry's officials.

21. Contingent liabilities

The college was at 31 August, 1995 contingently liable in respect of:

- a. Staff leaving indemnities for dismissal and/or retirement of employees. The maximum contingency in respect of this matter at 31 August, 1995 is approximately Drs.110 million.
- b. Additional taxes, duties and surcharges resulting from audits which might be carried out by Labour and tax authorities.