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CONSOLIDATED VENTURE FINANCE LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31ST JANUARY 1990



CONSOLIDATED VENTURE FINANCE LIMITED

NOTICE OF MEETING

Notice is hereby given that the annual general meeting of Consolidated Venture Finance Limited will be held at 11 Devonshire Square, London on Thursday 12th July 1990 at 4.00p.m. for the following purposes:

To receive the Directors' Report and Accounts.

To re-elect the following Director:

Mr. Bryan R Keene

To re-appoint the auditors and authorise the Directors to fix their remuneration.

By order of the Board

MIM Limited  
Secretaries

11 Devonshire Square  
London EC2M 4YR  
10th July 1990

Note:

Any member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote in this stead. Such proxy need not be a member of the Company.

CONSOLIDATED VENTURE FINANCE LIMITED

DIRECTORS

Christopher H.B. Mills (Chairman)  
Keith E. Hewett  
Bryan R. Keene

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JANUARY 1990

Company's business

The principal business of the Company is that of investment dealing and the Board has continued this policy during the year. An analysis of turnover is shown in note 2 to the accounts.

Income and Corporation Taxes Act 1988

The close company provisions of the Income and Corporation Taxes Act 1988 do not apply to the Company and there has been no change in this respect since the end of the financial year.

Interim dividend

Following the preparation of interim accounts, an interim dividend of £49,409 (1989 - Nil) was declared by the Directors and paid on 31st January, 1990. The Directors do not recommend the payment of a final dividend for the year (1989 - Nil).

Directors

The present Directors, all of whom served throughout the year, are listed above. The Director retiring by rotation is Mr Bryan R. Keene who, being eligible, offers himself for re-election.

The interests of Mr Christopher H.B. Mills in the capital of the holding Company, Consolidated Venture Trust plc, are shown in the accounts of that company. Mr Christopher H.B. Mills is a Director and shareholder of Growth Investment Management Limited which acts as investment adviser to the managers of the holding company.

Mr Keith E. Hewett and Mr Bryan R. Keene are Directors of MIM Limited, the Company's managers and secretaries.

Save as aforesaid, no Director was a party to or had any interest in any contract or arrangement with the Company at any time during the year.

Auditors

Our auditors Coopers & Lybrand have merged their practice with Deloitte Haskins & Sells and now practice in the name of Coopers & Lybrand Deloitte. They have signed the auditors' report in their new name. A resolution to re-appoint Coopers & Lybrand Deloitte as the Company's auditors will be proposed at the annual general meeting.

By Order of the Board

11 Devonshire Square  
London EC2M 4YR  
10th July 1990

MIM Limited  
Secretaries

CONSOLIDATED VENTURE FINANCE LIMITED


PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JANUARY 1990

	Notes	£	1989 £
Turnover	(2)	1,054,720	146,514
Cost of sales	(3)	1,336,094	254,403
Gross loss		(281,374)	(107,889)
Other interest receivable and similar income			
Interest receivable		48,931	114,118
		(232,443)	6,229
Administrative expenses	(4)	(3,934)	(1,504)
Net profit before tax		(236,377)	4,725
Tax on profit from ordinary activities (1989 written back)	(6)	(5)	11
Net profit after tax for the financial period		(236,382)	4,736
Interim dividend		(40,409)	-
		(276,791)	4,736
Retained profit brought forward		4,736	-
		£(272,055)	£ 4,736

The notes on pages 5 and 6 form part of these accounts.

## BALANCE SHEET AT 31ST JANUARY 1990

	Notes	£	1989 £
<b>Current assets</b>			
Investments - unlisted	(7)	139,597	85,616
<b>Debtors:</b>			
Trade debtors		-	30,000
Taxation recoverable		4,835	1,936
Prepayments and accrued income		830	18,633
Cash at bank and in hand		20,878	1,633,818
		<u>166,140</u>	<u>1,770,003</u>
<b>Creditors: amount falling due within one year</b>			
Amount due to holding company		436,443	1,764,185
Accruals and deferred income		1,750	1,080
		<u>438,193</u>	<u>1,765,265</u>
<b>Net current assets</b>		<b>£(272,053)</b>	<b>£ 4,738</b>
<b>Capital reserves</b>			
Called up share capital	(8)	2	2
Revenue (deficit) reserves		<u>(272,055)</u>	<u>4,736</u>
		<b>£ (272,053)</b>	<b>£ 4,738</b>

*For and on behalf of the Directors*  


)  
 )  
 ) Directors, signed 10th July 1990  
 )

The notes on pages 5 and 6 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JANUARY 1990

1. Accounting policies

The principal accounting policies adopted by the Company are as follows:-

- (a) Deposit interest receivable and expenses payable are taken to account on an accrual basis
- (b) Any profits or losses arising on the sale of dealing investments are taken direct to profit and loss account.
- (c) Transactions in foreign currency are translated to sterling at the rates of exchange ruling on the dates of such transactions. Foreign currency assets and liabilities at the balance sheet date are translated to sterling at the rates of exchange ruling on that date. Any profits or losses on foreign currency held, whether realised or unrealised, are taken direct to profit and loss account.
- (d) Investments are included in the balance sheet on the basis set out in note 7.

2. Turnover 1989

Turnover comprises:	£	£
Sale proceeds of dealing investments realised	1,042,286	141,802
Dividends and interest received on investments	12,434	-
Underwriting commission	-	4,712
	<u>£ 1,054,720</u>	<u>£ 146,514</u>
	xxxxxxxx	xxxxxx

3. Cost of sales 1989

	£	£
Cost of investments realised	936,157	199,268
Increase in provision for loss on investments valued at lower of cost, market value or Directors' valuation	399,937	55,135
	<u>£1,336,094</u>	<u>£254,403</u>
	xxxxxxxx	xxxxxx

4. Administrative expenses 1989

	£	£
General expenses	2,759	674
Auditors' remuneration	1,175	830
	<u>£3,934</u>	<u>£1,504</u>
	xxxxx	xxxxx

# CONSOLIDATED VENTURE FINANCE LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JANUARY 1990 (Continued)

### 5. Directors' fees

The Directors received no remuneration for their services during the year (1989 - Nil).

### 6. Taxation

The tax charge for the year represents overseas tax deducted from dividends received. There is no liability for corporation tax in respect of the current year (1989-Nil).

### 7. Investments - Unlisted

Unlisted investments have been valued on an individual basis at the lower of cost and market prices ruling at the close of business on 31st January 1990 where an organised market in such investments exist; other unlisted investments have been valued at the lower of cost and Directors' valuation based on the most recent accounts, having regard to the net assets or earnings of the individual companies and by reference to transaction prices where appropriate. Foreign investments have been valued using exchange rates ruling at the same date.

Valuation	1989	
	£	£
Unlisted at Directors' valuation		
In equity share capital	3,570	85,616
In other investments	136,027	-
	-----	-----
	£139,597	£85,616
	-----	-----
Lower of cost, market value and Directors' valuation	£ 139,597	£ 85,616
	=====	=====

### 8. Called up share capital

	Authorised	Allotted and fully paid 1989	
		£2	£.
Ordinary Shares of £1 each	£100	£2	£.
	====	==	==

There has been no change in the authorised or allotted share capital during the year.

### 9. Holding company

The Company's holding company is Consolidated Venture Trust plc, a company incorporated and operating in Great Britain.

# CONSOLIDATED VENTURE FINANCE LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JANUARY 1990 (Continued)

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CONSOLIDATED VENTURE FINANCE LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31ST JANUARY 1990

Source of funds	£	£	1989 £
Net profit before tax			4,725
Taxation recovered			527
Application of funds			
Net loss before tax	236,377		
Dividends paid	40,409		
Taxation paid	5	276,791	-
	-----	-----	-----
		£(276,791)	£5,252
		=====	=====
Represented by			
Increase in dealing investments		53,981	83,573
(Decrease) increase in cash at bank and in hand		(1,612,940)	1,556,360
Decrease (increase) in amount owed to holding company		1,327,742	(1,686,242)
(Decrease) increase in prepayments and accrued income		(17,803)	18,218
(Decrease) increase in accruals and deferred income		(670)	1,407
(Decrease) increase in trade debtors		(27,101)	31,506
		-----	-----
		£(276,791)	£5,252
		=====	=====

CONSOLIDATED VENTURE FINANCE LIMITED

AUDITORS' REPORT TO THE MEMBERS OF CONSOLIDATED VENTURE FINANCE LIMITED

We have audited the accounts on pages 3 to 7 in accordance with Auditing Standards.

In our opinion the accounts, give a true and fair view of the state of affairs of the Company at 31st January 1990, and of the loss and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London, 10th July 1990

  
Coopers & Lybrand Deloitte  
Chartered Accountants