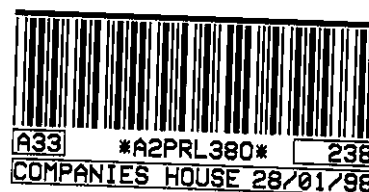


24 LANHILL ROAD LIMITED  
DIRECTORS' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
31ST MARCH 1997



M J Ventham & Co  
CHARTERED ACCOUNTANTS

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63 Lincoln's Inn Fields,  
London,  
WC2A 3JX.

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24 LANHILL ROAD LIMITED

DIRECTORS: L. Burns - Chairman  
I. D. Palma

SECRETARY: L. Burns

REGISTERED OFFICE: 3rd Floor, 63 Lincoln's Inn Fields, London, WC2A 3JX.

INDEX

	<u>Page</u>
Directors' Report	1 - 2
Balance Sheet	3 - 4
Profit and Loss Account	5
Notes to the Accounts	6 - 7

24 LANHILL ROAD LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report and accounts for the year ended 31st March 1997.

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 the 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;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

PRINCIPAL ACTIVITY

The company's principal activity during the year was the management of the common parts of the property at 24 Lanhill Road, London W9.

REVIEW OF THE BUSINESS

The results for the year are shown on page 5, and the directors consider the state of affairs of the company to be satisfactory.

24 LANHILL ROAD LIMITED

DIRECTORS' REPORT

(Continued)

DIRECTORS' INTERESTS

The directors who served during the year, and their interests in the issued share capital of the company are as follows:

	<u>At 31.3.97</u>	<u>At 31.3.96</u>
L. Burns (Chairman)	562	562
I.D. Palma	-	-
	—	—
Ordinary Shares of £1 each	<u>562</u>	<u>562</u>

Signed on behalf of the board

*L. Burns*

L. Burns  
Secretary

23 Jan '98

24 LANHILL ROAD LIMITED

BALANCE SHEET AS AT 31ST MARCH 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
<b><u>FIXED ASSETS</u></b>			
Tangible Assets	1C	1,709	1,709
<b><u>CURRENT ASSETS</u></b>			
Cash at Bank		1,776	1,726
Debtors	2	100	100
		————	————
		1,876	1,826
<b><u>CREDITORS: amounts falling due</u></b> within one year	3	1,613	1,563
		————	————
<b><u>NET CURRENT ASSETS</u></b>		263	263
		————	————
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>		£1,972	£1,972
		=====	=====
<b><u>CAPITAL AND RESERVES</u></b>			
Called Up Share Capital	4	2,248	2,248
Profit and Loss Account		( 276 )	( 276 )
		————	————
<b><u>SHAREHOLDERS' FUNDS</u></b>	5	£1,972	£1,972
		=====	=====

24 LANHILL ROAD LIMITED

BALANCE SHEET AS AT 31ST MARCH 1997

(Continued)

In respect of the annual accounts for the year ending 31st March 1997, the directors confirm that

- a) the company was entitled to exemption from audit under subsection (1) of section 249A of the Companies Act 1985
- b) no notice has been deposited under subsection (2) of section 249B
- c) they are responsible for
  - (i) ensuring that the company keeps accounting records which comply with Section 221, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

Signed on behalf of the board

L. Burns

Director

*L. Burns*

These accounts were approved by the board of directors on

*23 JAN '98*

24 LANHILL ROAD LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
Turnover	1B	1,300	2,158
Administrative Expenses		1,300	2,158
		—	—
Operating Profit		-	-
Interest Payable and Similar Charges		-	-
		—	—
Result for the year		-	-
Accumulated Loss Brought Forward		( 276 )	( 276 )
		—	—
Accumulated Loss Carried Forward		( £276 )	( £276 )
		====	====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

24 LANHILL ROAD LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

- (A) These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.
- (B) Turnover represents ground rents and service charges receivable.
- (C) The freehold land and building is shown at cost of £1,709. No depreciation has been provided as in the opinion of the Directors any such provision would be negligible. This is contrary to the requirements of SSAP12.

2. DEBTORS

	<u>1997</u>	<u>1996</u>
Due within one year:-		
Prepayments and Accrued Income	£100	£100
	<u>      </u>	<u>      </u>

3. CREDITORS: amounts falling due within one year

	<u>1997</u>	<u>1996</u>
Accruals and Deferred Income	£1,613	£1,563
	<u>      </u>	<u>      </u>

4. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
<u>Authorised</u>		
2,500 Ordinary Shares of £1 each	£2,500	£2,500
	<u>      </u>	<u>      </u>
<u>Issued and Fully Paid</u>		
2,248 Ordinary Shares of £1 each	£2,248	£2,248
	<u>      </u>	<u>      </u>



24 LANHILL ROAD LIMITED

NOTES TO THE ACCOUNTS

(Continued)

5. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
(Loss)/Profit for the Financial Year	-	-
Opening Shareholders' Funds	1,972	1,972
	-----	-----
Closing Shareholders' Funds	£1,972	£1,972
	=====	=====

6. DIRECTORS' REMUNERATION

The directors are the only employees of the Company and no remuneration was paid to any of them.

7. TAXATION

No provision for taxation on the results is required by reason of losses brought forward.

8. STATUS

The company is a 'close company' as defined by Section 414(1), Income and Corporation Taxes Act 1988.