

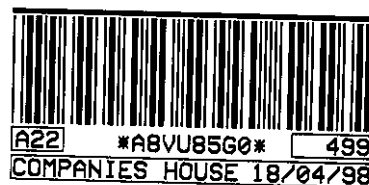


GLENSIDE INVESTMENTS LIMITED

Abbreviated Accounts

30 June 1997

**Deloitte & Touche
Colmore Gate
2 Colmore Row
Birmingham
B3 2BN**





Chartered Accountants

Deloitte & Touche
Colmore Gate
2 Colmore Row
Birmingham B3 2BN

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AUDITORS' REPORT TO GLENSIDE INVESTMENTS LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 3 together with the financial statements of Glenside Investments Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with sections 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with those sections and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 247 and 247A of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, in respect of the year ended 30 June 1997, and the abbreviated accounts on pages 2 to 3 have been properly prepared in accordance with those provisions.

Deloitte & Touche

Chartered Accountants and Registered Auditors

15 April 1998





BALANCE SHEET
30 June 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Investments:			
Freehold ground rents	2	89,425	93,970
CURRENT ASSET			
Amount due from parent company		138,860	126,299
CREDITORS: amounts falling due within one year		<u>628</u>	<u>597</u>
NET CURRENT ASSETS		<u>138,232</u>	<u>125,702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>227,657</u>	<u>219,672</u>
CAPITAL AND RESERVES			
Called up share capital	3	1,000	1,000
Investment revaluation reserve		89,425	93,970
Profit and loss account		<u>137,232</u>	<u>124,702</u>
EQUITY SHAREHOLDERS' FUNDS		<u>227,657</u>	<u>219,672</u>

These accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 with respect to the delivery of individual accounts.

Signed on behalf of the Board of Directors

Louise Maddison

L R MADDISON, Director



NOTES TO THE ACCOUNTS

Year ended 30 June 1997

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention, as modified by the revaluation of freehold ground rents.

Turnover

Turnover represents gross ground rents receivable for the year.

Investments

Freehold ground rents are stated at valuation. Unrealised capital surpluses and deficits are taken directly to investment revaluation reserve.

2. INVESTMENTS

	£
Freehold ground rents at valuation	
At 1 July 1996	93,970
Disposals during the year	(4,545)
At 30 June 1997	89,425

The freehold ground rents were revalued at their open market value on 5 October 1995 by Guy Harvey, Chartered Surveyor.

3. CALLED UP SHARE CAPITAL

	1997	1996
	£	£
Authorised, allotted and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

4. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Lousara Investments Limited, a company registered in England and Wales.