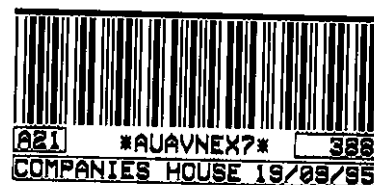


Stat.

806387 (England and Wales)

Delgrove Properties Limited
Directors' Report and Financial Statements
for the year ended 31st March 1995



Delgrove Properties Limited

Company Information

Directors	Mrs Freda Graham Antony Laurence Graham David Graham
Secretary	Jeffrey Graham
Company Number	806387 (England and Wales)
Registered Office	27 John Street London WC1N 2BL
Auditors	Simmons Cohen Fine Chartered Accountants and Registered Auditor 27 John Street London WC1N 2BL

Delgrove Properties Limited

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Delgrove Properties Limited

Directors' Report for the year ended 31st March 1995

The directors present their report and the financial statements for the year ended 31st March 1995.

Principal Activities and Review of the Business

The principal activity of the company during the financial year has been that of Property Investment.

The Directors are satisfied with the results for the year.

Results and Dividends

The results for the year are set out on page 4.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £2,123 is transferred to reserves.

Fixed Assets

The significant changes in fixed assets during the year are explained in note 6 to the financial statements.

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 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;
- 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Directors and their Interests

The directors who served during the year and their interests in the company were as stated below.

	Class of share	Number of shares	
		1995	1994
Mrs Freda Graham	Ordinary Shares	99	99
Antony Laurence Graham	Ordinary Shares	-	-
David Graham	Ordinary Shares	1	1

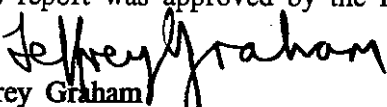
Delgrove Properties Limited

Directors' Report for the year ended 31st March 1995 (continued)

Auditors

Simmons Cohen Fine have expressed a willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

This report was approved by the Board on 24-8-95


Jeffrey Graham
Secretary

Delgrove Properties Limited

**Auditors' Report
to the shareholders of Delgrove Properties Limited**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Simmons Cohen Fine

Simmons Cohen Fine

**Chartered Accountants
Registered Auditor**

14/7/95

**Chartered Accountants
and Registered Auditor
27 John Street
London WC1N 2BL**

Delgrove Properties Limited

**Profit and Loss Account
for the year ended 31st March 1995**

	Notes	1995 £	1994 £
Turnover	2	10,350	6,500
Administrative expenses		(7,691)	(5,459)
Operating profit	3	2,659	1,041
Other interest receivable and similar income	4	87	286
Profit on ordinary activities before taxation		2,746	1,327
Tax on profit on ordinary activities	5	(623)	(221)
Profit for the year	10	<u>£ 2,123</u>	<u>£ 1,106</u>

There are no recognised gains and losses other than those passing through the profit and loss account.

Delgrove Properties Limited

Balance Sheet as at 31st March 1995

	Notes	£	1995	£	1994	£
Fixed Assets						
Tangible assets	6			14,381		14,748
Current Assets						
Debtors	7		-		1,200	
Cash at bank and in hand			10,961		4,290	
			<u>10,961</u>		<u>5,490</u>	
Creditors: amounts falling due within one year	8		<u>(9,309)</u>		<u>(6,328)</u>	
Net Current Assets				<u>1,652</u>		<u>(838)</u>
Total Assets Less Current Liabilities				<u>£ 16,033</u>		<u>£ 13,910</u>
Capital and Reserves						
Called up share capital	9			100		100
Profit and loss account	10			15,933		13,810
Shareholders' Funds	11			<u>£ 16,033</u>		<u>£ 13,910</u>

The financial statements were approved by the Board on 14/4/95

David Graham.....

Director

Delgrove Properties Limited

Notes to the Financial Statements for the year ended 31st March 1995

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents rent receivable.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Central Heating	-	10% Reducing balance
Fixtures, fittings and equipment	-	10% Reducing balance

No depreciation is provided in respect of freehold land.

2. Turnover and Profit on Ordinary Activities before Taxation

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the U.K.

Class of business	Turnover		Profit	
	1995 £	1994 £	1995 £	1994 £
Rents Receivable	10,350	6,500	5,492	1,327
	<u>£ 10,350</u>	<u>£ 6,500</u>	<u>£ 5,492</u>	<u>£ 1,327</u>

3. Operating Profit

Operating profit is stated after charging:

Depreciation of tangible assets

1995 £	1994 £
<u>734</u>	<u>775</u>

Delgrove Properties Limited

Notes to the Financial Statements for the year ended 31st March 1995

4. Other Interest Receivable and Similar Income	1995	1994
	£	£
Bank interest received	87	286
	<u>87</u>	<u>286</u>

5. Taxation	1995	1994
	£	£
U.K. Current year taxation		
U.K. Corporation tax at 25% (1994 - 25%)	623	221
	<u>623</u>	<u>221</u>

6. Tangible Assets	Freehold Property	Central Heating	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1st April 1994	7,768	1,194	11,128	20,090
Additions	-	-	368	368
At 31st March 1995	<u>7,768</u>	<u>1,194</u>	<u>11,496</u>	<u>20,458</u>
Depreciation				
At 1st April 1994	-	830	4,513	5,343
Charge for year	-	36	698	734
At 31st March 1995	<u>-</u>	<u>866</u>	<u>5,211</u>	<u>6,077</u>
Net book values				
At 31st March 1995	<u>£ 7,768</u>	<u>£ 328</u>	<u>£ 6,285</u>	<u>£ 14,381</u>
At 31st March 1994	<u>£ 7,768</u>	<u>£ 364</u>	<u>£ 6,616</u>	<u>£ 14,748</u>

7. Debtors	1995	1994
	£	£
Prepayments and accrued income	-	1,200
	<u>£ -</u>	<u>£ 1,200</u>

Delgrove Properties Limited

Notes to the Financial Statements for the year ended 31st March 1995

8. Creditors: amounts falling due within one year	1995	1994
	£	£
Bank loans and overdrafts	-	24
Amounts owed to group undertaking	210	210
Corporation tax	623	221
Directors' current accounts	4,893	3,293
Accruals and deferred income	3,583	2,580
	<u>£ 9,309</u>	<u>£ 6,328</u>
 9. Share Capital	 1995	 1994
	£	£
Authorised		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
 Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
 10. Profit And Loss Account	 1995	 1994
	£	£
Retained profits at 1st April 1994	13,810	12,704
Retained profit for the year	2,123	1,106
Retained profits at 31st March 1995	<u>£ 15,933</u>	<u>£ 13,810</u>
 11. Reconciliation of Movements in Shareholders' Funds	 1995	 1994
	£	£
Profit for the financial year	2,123	1,106
Opening shareholders' funds	13,910	12,804
Closing shareholders' funds	<u>£ 16,033</u>	<u>£ 13,910</u>

Delgrove Properties Limited

**Notes to the Financial Statements
for the year ended 31st March 1995**

12. Transactions With Directors

The company's freehold property was rented to Mr Jeffrey Graham, the son of Mr David Graham, up to July 1994 on full commercial terms. Thereafter, the property was let to a third party at market rate.

13. Employees

Number of employees

There were no employees during the year apart from the directors.