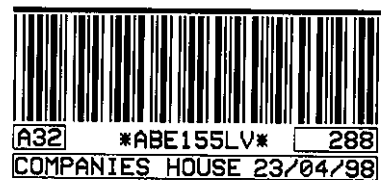


FOYE ESTATES LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 1997**



FOYE ESTATES LIMITED

Company Information

Directors	G Peters S J F Peters
Secretary	G Peters
Company Number	1938521
Registered Office	125 Gloucester Road London SW7 4TE
Accountants	Lees-Buckley & Co Chartered Accountants 125 Gloucester Road London SW7 4TE

FOYE ESTATES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1997

The directors present their report and the financial statements for the year ended 30 June 1997.

Principal activities

The company's principal activity during the period was property consultancy

Directors

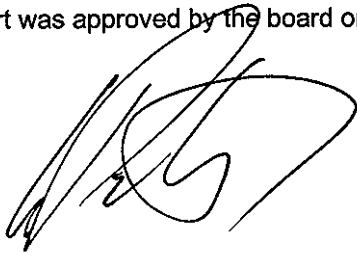
The directors who served during the year and their beneficial interests in the company's issued share capital were :

	<u>Ordinary shares of £1 each</u>	
	<u>1997</u>	<u>1996</u>
G Peters	99	99
S J F Peters	1	1

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 8 April 1998 and signed on its behalf.

G Peters
Secretary



FOYE ESTATES LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 30 June 1997

	Note	1997 £	1996 £
TURNOVER	1,2	16,400	39,460
Administrative expenses		(11,479)	(12,574)
Other operating income		5,124	6,315
OPERATING PROFIT	3	10,045	33,201
Interest payable		(596)	(755)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9,449	32,446
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	4	(977)	(1,297)
RETAINED PROFIT FOR THE YEAR		8,472	31,149
LOSS BROUGHT FORWARD		(7,570)	(38,719)
RETAINED PROFIT/(LOSS) CARRIED FORWARD		£ 902	£ (7,570)

The notes on pages 5 to 7 form part of these financial statements.

FOYE ESTATES LIMITED

**BALANCE SHEET
As at 30 June 1997**

	Note	£	1997 £	£	1996 £
FIXED ASSETS					
Tangible fixed assets	5		37,112		35,549
CURRENT ASSETS					
Stocks		38,494		38,494	
Debtors	6	221		221	
		<u>38,715</u>		<u>38,715</u>	
CREDITORS: amounts falling due within one year	7	<u>(26,969)</u>		<u>(27,351)</u>	
NET CURRENT ASSETS			<u>11,746</u>		<u>11,364</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>48,858</u>		<u>46,913</u>
CREDITORS: amounts falling due after more than one year	8		<u>(27,156)</u>		<u>(33,683)</u>
NET ASSETS			<u>£ 21,702</u>		<u>£ 13,230</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Revaluation reserve			20,700		20,700
Profit and loss account			902		(7,570)
SHAREHOLDERS' FUNDS			<u>£ 21,702</u>		<u>£ 13,230</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and no notice requiring an audit has been deposited under section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 1997 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The financial statements were approved by the board on 8 April 1998 and signed on its behalf

S J F PETERS Director

The notes on pages 5 to 7 form part of these financial statements.



FOYE ESTATES LIMITED

CASH FLOW STATEMENT For the year ended 30 June 1997

	1997		1996	
	£	£	£	£
Cash generated from operations				
Operating profit	10,045		33,201	
Reconciliation to cash generated from operations:				
Depreciation of tangible fixed assets	652		209	
Decrease in debtors	-		11	
Decrease in other creditors	(7,375)		(30,595)	
		3,322		2,826
Application of cash				
Interest paid	(596)		(755)	
Tax paid	(1,315)		(3,061)	
Purchase of tangible fixed assets	(2,215)		(110)	
Amounts paid under finance or hire purchase		(4,126)		(3,926)
Net decrease in cash		(804)		(1,100)
Cash at bank and in hand less overdrafts at beginning of year		(4,168)		(3,068)
Cash at bank and in hand less overdrafts at end of year	£	(4,972)	£	(4,168)
Consisting of:				
Cash at bank and in hand		-		-
Overdrafts included in "Bank loans and overdrafts falling due within one year"		(4,972)		(4,168)
	£	(4,972)	£	(4,168)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 1997

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with the Financial Reporting Standard for Smaller Entities and include the results of the company's operations which are described in the Directors' Report.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	1%	Cost
Furniture & equipment	-	20%	Cost

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. TURNOVER

All of the company's turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	1997 £	1996 £
Depreciation of tangible fixed assets - owned by the company	<u>652</u>	<u>209</u>
No director received any emoluments (1996 - £Nil)		

4. TAXATION

	1997 £	1996 £
Current year taxation		
UK Corporation Tax at % (1996 - %)	959	1,297
Prior years		
UK corporation tax	<u>18</u>	<u>-</u>
	<u>£ 977</u>	<u>£ 1,297</u>

FOYE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 1997

5. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Furniture Equipment £	Total £
Cost or valuation			
At 1 July 1996	35,000	1,045	36,045
Additions	-	2,215	2,215
At 30 June 1997	35,000	3,260	38,260
Depreciation			
At 1 July 1996	-	496	496
Charge for year	-	652	652
At 30 June 1997	-	1,148	1,148
Net Book Value			
At 30 June 1997	£ 35,000	£ 2,112	£ 37,112
At 30 June 1996	£ 35,000	£ 549	£ 35,549

Included in land and buildings is freehold land valued at £14,300 (1996 - £14,300) which is not depreciated.

The freehold property was valued at 30th June 1996 and 1997 on an open market basis by Mr G Peters, a director of the company and a professional property valuer.

On the historical cost basis, land and buildings would have been included as follows:

	1997 £	1996 £
Cost	14,300	14,300
Cumulative depreciation	(1,859)	(1,716)
Net book amount	£ 12,300	£ 12,500

6. DEBTORS

	1997 £	1996 £
Due within one year	221	221
Other debtors	221	221
	£ 221	£ 221

FOYE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 1997

7. CREDITORS:**Amounts falling due within one year**

	1997 £	1996 £
Bank loans and overdrafts	4,972	4,168
Corporation tax	959	1,297
Other creditors	21,038	21,886
	<u>£ 26,969</u>	<u>£ 27,351</u>

8. CREDITORS:**Amounts falling due after more than one year**

	1997 £	1996 £
Director's Loan	27,156	33,683
	<u>£ 27,156</u>	<u>£ 33,683</u>

9. CALLED UP SHARE CAPITAL

	1997 £	1996 £
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>