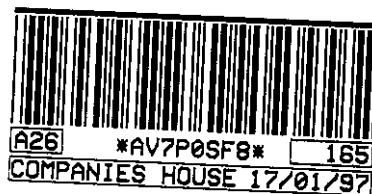


RUSHCATCH LIMITED
COMPANY NUMBER 02027692
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1996



RUSHCATCH LIMITED

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RUSHCATCH LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

P.J. Wheatley
R.I. Wells

Secretary

P.J. Wheatley

Registered Office

9 Bridle Close,
Surbiton Road,
Kingston Upon Thames,
Surrey KT1 2JW

Auditors

James Worley & Sons
9 Bridle Close,
Kingston Upon Thames,
Surrey KT1 2JW

Bankers

National Westminster Bank Plc,
73 High Street
Walton Upon Thames,
Surrey,
KT12 IDW

RUSHCATCH LIMITED

REPORT OF THE DIRECTORS

The directors submit herewith their report and audited financial statements for the year ended 31st March 1996.

ACTIVITIES

The principal activities of the company during the period were property investment and property development.

RESULTS

Profit for the year before taxation	£ 14,168
Taxation	(4,534)
Profit retained	9,634

DIVIDENDS

No dividends were paid during the year and the directors do not recommend the payment of a dividend.

MARKET VALUE OF LAND AND BUILDINGS

The directors are of the opinion that the the property market has stabilised during the year under review, and that the current market values of the company's investment properties have not altered since the professional valuations carried out in 1994.

DIRECTORS

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

	Ordinary shares of £1 each	
	31-3-96	31-3-95
P.J. Wheatley	1	1
R.I. Wells	1	1

AUDITORS

A resolution to re-appoint James Worley & Sons as auditors of the company will be proposed at the next Annual General Meeting.

CLOSE COMPANY STATUS

The directors consider that the company is a close company within the provisions of the Income and Taxes Act 1988.

BY ORDER OF THE BOARD


P.J. Wheatley
Secretary

Dated : 29th October 1996

RUSHCATCH LIMITED

STATEMENT OF 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 appropriate accounting records which disclose with reasonable accuracy 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.

REPORT OF THE AUDITORS

TO THE MEMBERS OF RUSHCATCH LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out in Note 1 to the financial statements.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and 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.

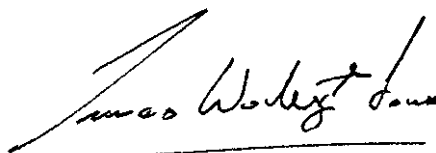
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 affairs of the company as at 31st March 1996 and of the company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Kingston upon Thames
Surrey

Dated : 29th October 1996



JAMES WORLEY & SONS

Chartered Accountants
Registered Auditors

RUSHCATCH LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1996

	Note	1996 £	1995 £
Turnover	1	76,154	80,483
Cost of sales		37,951	30,909
Gross profit		<u>38,203</u>	<u>49,574</u>
Administration expenses		18,791	18,059
		<u>19,412</u>	<u>31,515</u>
Other income		-	-
		<u>19,412</u>	<u>31,515</u>
Interest payable	8	5,244	5,077
Profit on ordinary activities before taxation	9	14,168	26,438
Taxation	10	4,534	-
Profit on ordinary activities after taxation, transferred to reserves	7	<u>9,634</u>	<u>26,438</u>

All disclosures relate to continuing activities. There were no other recognised gains or losses other than the profit for the year and previous year.

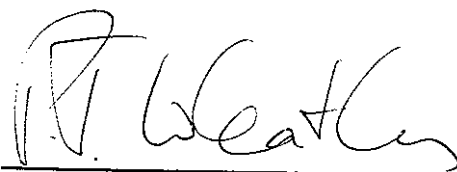
RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Profit for the year	9,634	26,438
Dividend	-	-
Net addition to shareholders' funds	<u>9,634</u>	<u>26,438</u>
Opening shareholders' funds	<u>248,623</u>	<u>222,185</u>
Closing shareholders' funds	<u>258,257</u>	<u>248,623</u>

RUSHCATCH LIMITED

BALANCE SHEET AS AT 31ST MARCH 1996

	Note	1996		1995	
		£	£	£	£
FIXED ASSETS					
Investment property	2		429,000		429,500
Tangible	3		4,338		6,595
CURRENT ASSETS					
Cash at bank		638		2,395	
Debtors	4	5,785		5,039	
		<u>6,423</u>		<u>7,434</u>	
CREDITORS - AMOUNTS DUE WITHIN ONE YEAR	5	181,504		194,906	
NET CURRENT (LIABILITIES)			<u>(175,081)</u>		<u>(187,472)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>258,257</u>		<u>248,623</u>
PROVISIONS FOR LIABILITIES AND CHARGES	11		-		-
NET ASSETS			<u>258,257</u>		<u>248,623</u>
CAPITAL AND RESERVES					
Called up share capital	6		2		2
Reserves	7		<u>258,255</u>		<u>248,621</u>
SHAREHOLDERS' FUNDS			<u>258,257</u>		<u>248,623</u>



P.J. Wheatley
Director

Date approved by the Board : 29th October 1996

RUSHCATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1996

1. ACCOUNTING POLICIES

a) Accounting Policy

The financial statements are prepared under the historical cost convention except for certain investment properties which are included at directors' valuation.

b) Accounting Standards

The financial statements have been prepared under the applicable accounting standards.

c) Depreciation

In accordance with Statement of Standard Accounting Practice No. 19 :

- i) the investment properties are revalued periodically, and
- ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

Although the Companies Act 1985 would normally require the systematic annual depreciation of fixed assets, these properties are not held for consumption but for investment. The directors, therefore, believe that this accounting policy is necessary for the accounts to give a true and fair view.

The short leasehold property is also held for investment purposes and is amortised on a straight line basis over the remaining years of the lease.

Other tangible fixed assets are depreciated on a straight line basis at rates intended to write them off over their useful economic life.

Motor Vehicles	- 25%	per annum
Office Equipment	- 33 1/3%	per annum

d) Turnover

Turnover represents income receivable from rental properties and proceeds of property disposals.

e) Deferred taxation

Deferred taxation is provided at the latest known rate on the excess of the book values of fixed assets over their written down values for tax purposes, and on other timing differences.

f) Interest payable

Interest payable is written off to profit and loss account as it is incurred.

RUSHCATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

YEAR ENDED 31ST MARCH 1996

2. FIXED ASSETS - INVESTMENT PROPERTY

	Freehold Property £	Long Leasehold Property £	Short Leasehold Property £	Total £
Cost/valuation:				
At 1st April 1995	287,500	137,000	10,000	434,500
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation	-	-	-	-
At 31st March 1996	287,500	137,000	10,000	434,500
Accumulated depreciation :				
At 1st April 1995	-	-	5,000	5,000
Charge for the year	-	-	500	500
Disposal during year	-	-	-	-
At 31st March 1996	-	-	5,500	5,500
Net book value				
At 31st March 1996	287,500	137,000	4,500	429,000
<i>Net book value</i>				
<i>At 31st March 1995</i>	<i>287,500</i>	<i>137,000</i>	<i>5,000</i>	<i>429,500</i>

At 31st March 1994, the investment properties were valued on an open market value by the directors of the company. If the investment properties had not been revalued, they would have been included at cost of £860,569. No change has been made to these valuations for 1996.

If the investment properties had been sold at their 31st March 1996 value, taxation liabilities would crystallise as referred to in Note 11.

RUSHCATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

YEAR ENDED 31ST MARCH 1996

3. FIXED ASSETS - TANGIBLE OTHER ASSETS

	Motor Vehicles £	Office Equipment £	Total £
Cost:			
At 1st April 1995	7,815	5,981	13,796
Additions	-	-	-
Disposals	-	-	-
At 31st March 1996	7,815	5,981	13,796
Accumulated depreciation :			
At 1st April 1995	1,953	5,248	7,201
Disposal in year	-	-	-
Charge for the year	1,953	304	2,257
At 31st March 1996	3,906	5,552	9,458
Net book value			
At 31st March 1996	3,909	429	4,338
<i>Net book value</i>			
<i>At 31st March 1995</i>	<i>5,862</i>	<i>733</i>	<i>6,595</i>

	1996 £	1995 £
4. DEBTORS		
Rent debtors	1,369	1,836
Amounts due from associated companies	2,047	1,795
Other debtors	609	200
Prepayments	1,760	1,208
	5,785	5,039

5. CREDITORS - amounts falling due within one year

Bank overdraft (secured)	51,969	59,920
Trade creditors	1,208	1,378
Rents received in advance	4,550	1,875
Accruals	38,800	34,488
Other creditors	81,257	97,245
Corporation tax	3,720	-
	181,504	194,906

The bank overdraft is secured by way of a fixed charge over certain of the company's investment properties.

RUSHCATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

YEAR ENDED 31ST MARCH 1996

6. CALLED UP SHARE CAPITAL	1996	1995
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>
7. RESERVES	Profit & Loss	
Balance at 1st April 1995	248,621	
Retained profit for the year	<u>9,634</u>	
Balance at 31st March 1996	<u>258,255</u>	
8. INTEREST PAYABLE	1996	1995
	£	£
On bank overdraft	5,244	5,077
Interest on other loans	<u>-</u>	<u>-</u>
	<u>5,244</u>	<u>5,077</u>
9. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit on ordinary activities before taxation has been arrived at after charging:		
Auditors Remuneration - audit	1,500	1,500
other services	850	850
Directors' Remuneration, including pension contributions	-	-
Depreciation	<u>2,257</u>	<u>3,730</u>
10. TAX ON PROFIT ON ORDINARY ACTIVITIES		
Corporation tax based on loss for the year at 25% (1995 - 25%)	3,724	-
Corporation tax - prior year adjustment	810	-
Deferred Tax	<u>-</u>	<u>-</u>
	<u>4,534</u>	<u>-</u>

RUSHCATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

YEAR ENDED 31ST MARCH 1996

11. PROVISION FOR LIABILITIES AND CHARGES

	£
Deferred Tax	
Balance at 1st April 1995	-
Transfer from Profit & Loss	-
Balance at 31st March 1996	-

The major elements of deferred taxation are as follows:

	£
Accelerated capital allowances	-
Other Timing Differences	-
	-

No provision is made in respect of the capital allowances claimed on one of the company's leasehold properties as it is held for investment purposes and the directors do not intend disposing of this property in the foreseeable future. The potential provision is £34,250 (1995 - £34,250).

12. FINANCIAL COMMITMENTS

Non-cancellable operating lease payments falling due within one year amount to £26,457 (1995 - £21,680) and relate to leases which expire:

	1996		1995	
	Land and Buildings	Other	<i>Land and Buildings</i>	<i>Other</i>
Within one year	-	-	-	-
Between two and five years	-	-	-	-
After five years	26,457	-	21,680	-