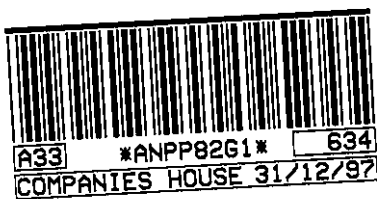


PROJECTOFFER PROPERTY MANAGEMENT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 1997



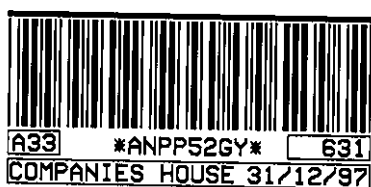
PROJECTOFFER PROPERTY MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 1997

CONTENTS

	<u>Page</u>
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4-5
Notes to the Financial Statements	6



PROJECTOFFER PROPERTY MANAGEMENT LIMITED

COMPANY INFORMATION

DIRECTORS

C. Ruffell
J. Boath

SECRETARY

C. Ruffell

REGISTERED OFFICE

182 Springfield Road
Brighton
East Sussex
BN1 6DG

ACCOUNTANTS

Keith Bellenie and Company
Certified Accountants
3 Cecilian Court
Cecilian Avenue
Worthing
West Sussex
BN14 8AP

BANKERS

Lloyds Bank PLC
5 Preston Circus
Brighton
East Sussex

PROJECTOFFER PROPERTY MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st MARCH, 1997

The Directors have pleasure in presenting their Report and Accounts of the Company for the year ended 31st March, 1997.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of property management.

CHARITABLE AND POLITICAL DONATIONS

The company made no charitable or political donations during the year.

DIRECTORS

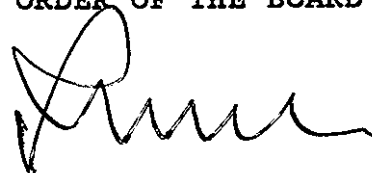
The directors of the company together with their interests in the share capital were as follows:-

	<u>Ordinary Shares of £1</u>	
	<u>At 31.3.1997</u>	<u>At 31.3.1996</u>
Mr. C. Ruffell	2	2
Mr. J. Boath	1	1

SMALL COMPANY EXEMPTIONS

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



C. Ruffell
Secretary

PROJECTOFFER PROPERTY MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH, 1997

Year to
31.3.1996

868	Administrative Expenses	654
	Other Operating Income -	
<u>868</u>	Transfer from Maintenance Fund	<u>654</u>
£ -		£ -
<u> </u>		<u> </u>

PROJECTOFFER PROPERTY MANAGEMENT LIMITED

BALANCE SHEET AS AT 31st MARCH, 1997

As at
31.3.1996

Fixed Assets

1985	Tangible - Freehold Interest - Note 3	1985
------	---------------------------------------	------

Current Assets

52	Sundry Debtors	100
<u>141</u>	Cash at Bank	<u>637</u>
193		737

<u>193</u>	<u>Creditors</u> - Amounts falling due within one year: Note 4	<u>737</u>
------------	--	------------

-	Net Current Assets/Liabilities	-
£ 1985		£ 1985
=====		=====

Capital and Reserves

5	Called Up Share Capital - Note 2	5
<u>1980</u>	Share Premium Account	<u>1980</u>
£ 1985		£ 1985
=====		=====

The statement which follows on the next page forms an integral part of the Balance Sheet.

PROJECTOFFER PROPERTY MANAGEMENT LIMITED

BALANCE SHEET (CONTINUED)

31st MARCH, 1997

These financial statements have not been audited as the company is entitled to the exemptions conferred by Section 249A(1) of the Companies Act 1985.

It is confirmed that no notice has been deposited by member(s) under Section 249B(2) in relation to the financial statements for the year ended 31st March, 1997.

We, as directors, acknowledge our responsibilities for:-

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 3-6 were approved by the board of directors on 18th December, 1997.

C. Ruffell

Director



PROJECTOFFER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 1997

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention.

b) Administrative Expenses

These comprise the property repair and maintenance, administrative and other costs incurred by the company in its capacity as a property management agent.

c) Other Operating Income

This represents the transfer from the maintenance fund for administrative costs incurred.

d) Depreciation

There is no charge for depreciation as the only asset of the company relates to the freehold interest in land.

2. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
<u>Authorised</u>	<u>£</u>	<u>£</u>
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted - Called up and Fully Paid</u>		
5 Ordinary Shares of £1 each	<u>5</u>	<u>5</u>

3. FIXED ASSETS

<u>Tangible</u>	<u>Total</u>
<u>Cost and Net Book Value</u>	
As at 31st March, 1997	<u>1985</u>
As at 31st March, 1996	<u>1985</u>

4. CREDITORS

Amounts falling due within one year:

Other Creditors	451	-
Accruals	<u>286</u>	<u>193</u>
	<u>737</u>	<u>193</u>