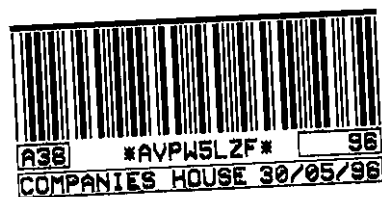


Company Number: 37608

Bandarapola Ceylon Company Limited

Financial Statements

for the year ended 31st December 1995



Bandarapola Ceylon Company Limited

Company Information

Company No: 37608

Chairman

R.R. Ranaweera

Registered Office

20-24 High Street
Rayleigh
Essex
SS6 7EF

Directors

R.R. Ranaweera
B.C Ranaweera

Secretary

R.R. Ranaweera

Reporting Accountants

Masons
20-24 High Street
Rayleigh
Essex
SS6 7EF

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1 and 2	Directors' Report
3	Accountants' Report
4	Profit and Loss Account
5	Balance Sheet
6 to 8	Notes to the Financial Statements

Bandarapola Ceylon Company Limited

Directors' Report

for the year ended 31st December 1995

The directors submit their report together with the unaudited financial statements for the year ended 31st December 1995.

Directors' Statement

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 loss for that year. 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 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 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.

Results and Dividends

The trading loss for the year after taxation was £9,808 which has been transferred from reserves.

The directors do not recommend the payment of a dividend.

Principal Activity and Business Review

The principal activity of the company continued to be that of investment property, and the property remained unlet during the year.

Fixed Assets

The significant changes in fixed assets are shown in the notes to the financial statements.

Directors and their Interests

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

	Ordinary shares of £1 each	
	1995	1994
	No.	No.
R.R. Ranaweera	3	3
B.C Ranaweera	3	3

Bandarapola Ceylon Company Limited

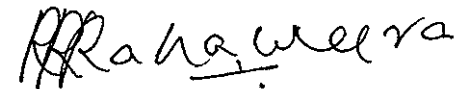
Directors' Report

for the year ended 31st December 1995

Reporting Accountants

The Reporting Accountants, Masons Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By Order of the Board:

A handwritten signature in dark ink, appearing to read 'R.R. Ranaweera', with a horizontal line drawn under the name.

R.R. Ranaweera, Secretary

Accountants' Report to the Shareholders
on the Unaudited Accounts of Bandarapola Ceylon Company Limited

We report on the accounts for the year ended 31st December 1995 set out on pages 4 to 8.

Respective responsibilities of directors and reporting accountants

As described on page 1 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



Masons
Reporting Accountants



20-24 High Street
Rayleigh
Essex
SS6 7EF

Bandarapola Ceylon Company Limited**Profit and Loss Account****for the year ended 31st December 1995**

	Notes	1995 £	1994 £
Administrative expenses		(3,111)	(3,097)
Operating loss		(3,111)	(3,097)
Interest receivable		-	1
Interest payable	2	(6,697)	(7,397)
Loss on ordinary activities after Taxation		(9,808)	(10,493)
Retained loss transferred from reserves	8	(9,808)	(10,493)

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

Bandarapola Ceylon Company Limited

Balance Sheet

as at 31st December 1995

	Notes	1995 £	1995 £	1994 £	1994 £
Fixed Assets					
Tangible fixed assets	3		109,694		109,694
Current Assets					
Debtors	4	6,700		5,992	
Cash at bank and in-hand		53		54	
		<u>6,753</u>		<u>6,046</u>	
Creditors:					
Amounts falling due within one year	5	<u>8,497</u>		<u>5,786</u>	
Net Current (Liabilities)/Assets			(1,744)		260
Total Assets Less Current Liabilities			<u>107,950</u>		<u>109,954</u>
Creditors:					
Amounts falling due after more than one year	6		(187,805)		(180,000)
			<u>(79,855)</u>		<u>(70,046)</u>
Capital and Reserves					
Share capital	7		60,000		60,000
Share premium account	8		4,102		4,102
Profit and loss account	8		(143,957)		(134,148)
	9		<u>(79,855)</u>		<u>(70,046)</u>

Analysis of shareholders' funds

Equity interests	(79,855)	(70,046)
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In the directors' opinion the company was entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31st December 1995. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for: ensuring that the company keeps accounting records which comply with section 221; and for preparing accounts which give a true and fair view of the state of the affairs of the company as at 31st December 1995 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

These accounts were approved by the board on 17th May 1996

R.R. Ranaweera

R.R. Ranaweera

The notes on pages 6 to 8 form part of these financial statements.

Bandarapola Ceylon Company Limited

Notes to the Financial Statements

31st December 1995

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Cashflow Statement

In the opinion of the directors the company qualifies as a small company and accordingly a cashflow statement is not required.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rates generally applicable are:

Freehold land and buildings	No depreciation provided
Furniture and equipment	Fully depreciated

2 Interest Payable

	1995 £	1994 £
Bank overdrafts repayable within five years	12	242
Bank loans not wholly repayable within five years	6,685	7,155
	<u>6,697</u>	<u>7,397</u>

3 Tangible Fixed Assets

	Freehold land and buildings	Furniture and equipment	Total
Cost	£	£	£
At 1st January 1995	107,674	8,514	116,188
At 31st December 1995	<u>107,674</u>	<u>8,514</u>	<u>116,188</u>
Depreciation			
At 1st January 1995	-	6,494	6,494
At 31st December 1995	<u>-</u>	<u>6,494</u>	<u>6,494</u>
Net Book Value			
At 31st December 1995	<u>107,674</u>	<u>2,020</u>	<u>109,694</u>
At 31st December 1994	<u>107,674</u>	<u>2,020</u>	<u>109,694</u>

Bandarapola Ceylon Company Limited

Notes to the Financial Statements

31st December 1995

4	Debtors	1995 £	1994 £
	Other debtors	6,214	5,696
	Prepayments and accrued income	486	296
		<u>6,700</u>	<u>5,992</u>

Included in the above are amounts falling due after more than one year as follows:

Other debtors	6,214	5,696
	<u>6,214</u>	<u>5,696</u>

5	Creditors: Amounts Falling Due Within One Year	1995 £	1994 £
	Bank loans and overdrafts	4,616	1,905
	Other creditors	3,000	3,000
	Accruals and deferred income	881	881
		<u>8,497</u>	<u>5,786</u>

Bank loans and overdrafts of £4,616 (1994 £1,905) are secured on the freehold property

6	Creditors: Amounts Falling Due After More Than One Year	1995 £	1994 £
	Bank loans	48,047	53,019
	Other loans	139,758	126,981
		<u>187,805</u>	<u>180,000</u>

Bank loan of £48,047 (1994 £53,019) is secured on the freehold property

Bank loans repayable by instalments as follows:-

Due after one year	5,000	4,500
Between two and five years	19,000	18,000
After five years	24,047	30,519
	<u>48,047</u>	<u>53,019</u>
Within one year	4,500	3,642
	<u>52,547</u>	<u>56,661</u>

Secured on the freehold property.