

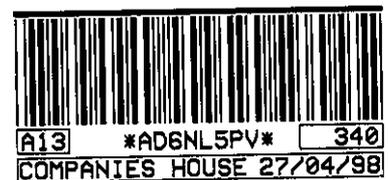
JAYSEA ENTERPRISES (INVESTMENTS) LIMITED

COMPANY NUMBER 555759

FINANCIAL STATEMENTS

YEAR ENDED 31ST MAY 1997

Ronald Lloyd & Co.
Chartered Certified Accountants
L'ampton House
35 Cronks Hill Road
Redhill
Surrey
RH1 6LY



JAYSEA ENTERPRISES (INVESTMENTS) LIMITED

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JAYSEA ENTERPRISES (INVESTMENTS) LIMITED
DIRECTOR'S REPORT
YEAR ENDED 31ST MAY 1997

Directors: D.M. Wells-Kendrew
J.C. Wells-Kendrew (deceased 5/2/98)
Secretary: D.M. Wells-Kendrew
Registered Office: L'ampton House, 35 Cronks Hill Road,
Redhill, Surrey RH1 6LY.

REPORT OF THE DIRECTORS

The directors present their annual report, together with the financial statements of the company for the year ended 31st May 1997.

Activities The Company has principally been engaged in Property Investments.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the period and their interest in the ordinary share capital of the company at the beginning and end of the period were as follows:

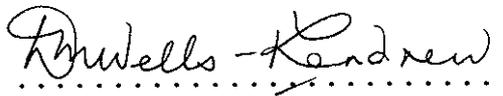
- D.M. Wells-Kendrew 450 Ordinary Shares of £1 each
- J.C. Wells Kendrew 50 Ordinary Shares of £1 each
(deceased 5/2/98)

Company law requires the directors to prepare financial statements for each financial period 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 these financial statements the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) 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.

For and on behalf of the Board
dated this 22 day of April 1998


.....
D.M. Wells-Kendrew
Director

JAYSEA ENTERPRISES (INVESTMENTS) LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 31ST MAY 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
INCOME	1.	87	87
LESS COST OF SALES		-	-
		---	---
GROSS PROFIT		87	87
ADMINISTRATION COSTS		(952)	(188)
		---	---
OPERATING (LOSS)	5.	(865)	(101)
Interest receivable	1.	-	-
		---	---
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(865)	(101)
EXCEPTIONAL ITEM	6.	25,000	-
Taxation	4.	(1,300)	-
		-----	---
NET PROFIT/(LOSS) FOR THE YEAR		22,835	(101)
Transfer to Capital Reserve		(23,700)	-
		-----	---
		(865)	(101)
Adverse Balance brought forward		(11,701)	(11,600)
		-----	-----
ADVERSE BALANCE CARRIED FORWARD		(£12,566)	(£11,701)
		=====	=====

The whole of the results, as stated above, relate to the business operations.

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

The notes on page 4 form part of these financial statements.

JAYSEA ENTERPRISES (INVESTMENTS) LIMITED
BALANCE SHEET AS AT 31ST MAY 1997
EMPLOYMENT OF CAPITAL

	<u>Notes</u>		<u>1996</u>
<u>FIXED ASSETS</u>			
Tangible Assets	3.	13,488	13,488
<u>CURRENT ASSETS</u>			
Sundry Debtors		14,906	366
Cash at Bank		1,000	-
		-----	---
		15,906	366
<u>CREDITORS</u> - Due Within One Year	2,150		9,445
	-----		-----
<u>NET CURRENT (LIABILITIES)/ASSETS</u>		13,756	(9,079)
		-----	-----
		£27,244	£ 4,409
		=====	=====
represented by:-			
<u>CALLED UP SHARE CAPITAL</u>	2.	500	500
<u>CAPITAL RESERVE</u>		39,310	15,610
<u>REVENUE RESERVE</u> - (Deficit)		(12,566)	(11,701)
		-----	-----
		£27,244	£ 4,409
		=====	=====

- (a) the company was entitled to exemption under Section 249A(1) of the Companies Act 1985 of the requirement to have an audit,
- (b) no notice has been deposited under Section 249B(2) and
- (c) the director acknowledges her responsibilities for:
- (i) ensuring that the company keeps accounting records which comply with Section 221, 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 and loss for the financial year under Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as is applicable to the company.

In preparing these financial statements:

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985 and
- (b) In the director's opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the Board on the 22nd day of April 1998 and signed on its behalf by

Director 
D.M. WELLS-KENDREW

The notes on page 4 form part of these financial statements.

JAYSEA ENTERPRISES (INVESTMENTS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 1997

1. ACCOUNTING POLICIES

1.1 Accounting Conventions

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

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

1.2 Turnover

The Turnover represents Chief Rents Receivable.

1.3. Tangible Fixed Assets

No depreciation has been provided as the Directors are of the opinion that the Market Value of the Company Interest in Land is in excess of it's Book Value.

2. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
<u>Authorised Issued and Fully Paid</u>		
500 Ordinary Shares of £1 each	£500	£500
	===	===

3. TANGIBLE ASSETS

We have not inspected the Title Deeds of the properties.

4. CORPORATION TAX

Corporation Tax is payable in respect of these accounts @ 24% and 21%	£1,300	-
	=====	===

5. OPERATING LOSS

Operating Loss is stated after charging:-

Depreciation	Nil	Nil
Directors Remuneration	Nil	Nil
	===	===

6. EXCEPTIONAL ITEM

Non returnable deposit on		
Sale of Freehold Land	£25,000	-
	=====	===

7. MORTGAGES AND CHARGES

There are registered charges held by National Westminster Bank plc for all monies due dated 1959 and 1960 and for Mrs Cook for £1,250 dated 1959.

8. POST BALANCE SHEET EVENT

A contract for the sale for £456,000 of some land forming part of the fixed assets of the company will hopefully be sold in 1998.