

757130

ADENA INVESTMENTS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 1997

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ADENA INVESTMENTS LIMITED

COMPANY NUMBER: 757130

SECRETARY & REGISTERED OFFICE

B Davis
10 Woodleigh
7 Churchfields
South Woodford
London E18

AUDITORS

BSG Valentine
Chartered Accountants
Lynton House
7-12 Tavistock Square
London WC1H 9BQ

DIRECTORS REPORT

Period covered Year ended 31 December 1997.

Principal activities Property investment.

Summary for period	1997 £	1996 £
Net profit for year	1,574	10,655
Less: corporation tax	(377)	(2,583)
	-----	-----
	1,197	8,072
Profit brought forward	200,298	192,226
	-----	-----
Profits carried forward	201,495	200,298
	=====	=====

Directors M E Halpern
B Davis

Directors interests:

(a) In contracts with the company, if material None

(b) In shares or debentures of the company (including family interests)

At date of this
Balance Sheet

At date of last
Balance Sheet

M E Halpern

100

100

Issues of shares or debentures in period None

Significant changes in fixed assets

Dealt with under note 2 to the Balance Sheet.

Land and buildings

In the opinion of the directors the market value of the company's property interests exceeds book value by at least £75,000.

Close company

The close company provisions of the Income and Corporation Taxes Act 1988 apply to the company.

ADENA INVESTMENTS LIMITED
DIRECTORS REPORT (CONTINUED)

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 accounts, the directors are required to:-

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Follow applicable accounting standards, 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 that the financial statements comply with the Companies Act 1985. The directors 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.

AUDITORS

Messrs BSG Valentine have indicated their willingness to continue in office as auditors of the company and a resolution for their re-appointment will be proposed at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

10 Woodleigh
7 Churchfields
South Woodford
London E18

By Order of the Board


B Davis
SECRETARY

Date 24/8/98

**AUDITORS REPORT TO THE SHAREHOLDERS OF
ADENA INVESTMENTS LIMITED**

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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 of those financial statements and to 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 consider 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 the company's affairs as at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

Lynton House
7-12 Tavistock Square
London WC1H 9BQ

Date..... 24/8/98

BSG VALENTINE
Chartered Accountants
Registered Auditor

ADENA INVESTMENTS LIMITED
BALANCE SHEET AS AT 31 DECEMBER 1997

£	1996	Notes	£	1996	£
		FIXED ASSETS			
	91,463	Tangible assets 2		91,463	
		DEFERRED ASSET (Repayable after one year)			
	106,421	Loan to associated companies 5		106,421	
	<u>197,884</u>			<u>197,884</u>	
		CURRENT ASSETS			
8,600		Trade debtors	6,000		
14,746		Cash at bank	438		
<u>23,346</u>			<u>6,438</u>		
		CURRENT LIABILITIES			
(20,832)		Creditors and accruals 3	(2,727)		
<u>2,514</u>		NET CURRENT ASSETS/(LIABILITIES)		<u>3,711</u>	
<u>200,398</u>				<u>201,595</u>	
		CAPITAL AND RESERVES			
100		Called up share capital 4		100	
200,298		Profit and loss account		201,495	
<u>200,398</u>				<u>201,595</u>	

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

 Director

The notes on page 6 form an integral part of these financial statements.

ADENA INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1997

1996			1996
£	£		£
	CREDITS		
15,857	Rents (net after outgoings)		6,716
300	Interest receivable		332
<u>16,157</u>			<u>7,048</u>
	CHARGES		
3,029	Consultancy fees	3,029	
2,350	Auditors remuneration and expenses	2,350	
123	Sundries	95	
<u>(5,502)</u>			<u>(5,474)</u>
10,655	NET PROFIT before taxation		1,574
	TAXATION		
(2,583)	Corporation tax payable		(377)
8,072	NET PROFIT after taxation		1,197
192,226	BALANCE from previous periods		200,298
<u>200,298</u>	CARRIED FORWARD		<u>201,495</u>

The notes on page 6 form an integral part of these financial statements.

ADENA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

1. ACCOUNTING POLICIES

(a) Basis of accounting

These accounts have been prepared under the historical cost convention and comply with all applicable Accounting Standards.

(b) Depreciation

It is not the company's policy to amortise freehold or leasehold properties as their market value is in excess of the book value.

2. TANGIBLE FIXED ASSETS

	Freehold £	Leasehold (in excess of 50 years) £	Total £
Cost and Book Value at 1 January 1997 and 31 December 1997	61,792 =====	29,671 =====	91,463 =====

3. CREDITORS AND ACCRUALS

	1997 £	1996 £
Accruals and sundry creditors	2,350	7,829
Loan	-	10,420
Corporation tax	377	2,583
	2,727 =====	20,832 =====

The loan is interest free and unsecured.

4. CAPITAL AND RESERVES

The company's authorised share capital is 100 ordinary shares all of which are issued and fully paid

5. DEFERRED ASSET

There is no fixed date for repayments of this loan to an associated company. The directors consider that the loan will not be repaid until after 1 January 1999.