

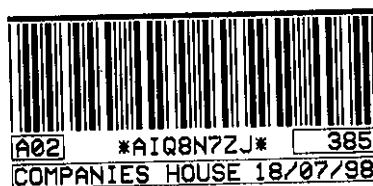
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FRANCVINS LIMITED

Registered Number
829320

Report and Financial Statements

31 January 1998



Warley & Warley
CHARTERED ACCOUNTANTS

76 Cambridge Road, Kingston upon Thames, Surrey, KT1 3NA

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 January 1998.

REVIEW OF THE BUSINESS

The company did not trade during the year.

DIRECTORS

The directors who served during the year were as follows:

Mr I J Le Vesconte
Mrs A M Le Vesconte

Mr I J Le Vesconte and Mrs A M Le Vesconte are directors of Leovic Limited, the company's parent company. Their interest in the shares of Leovic Limited are disclosed in the financial statements of that company.

STATEMENT OF DIRECTOR'S 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:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) prepare the financial statements on a 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.

AUDITORS

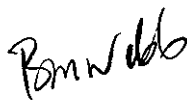
Warley & Warley have expressed their willingness to continue in office as auditors and a resolution for their reappointment, at a rate of remuneration to be fixed by the directors, will be proposed at the Annual General Meeting.

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

ON BEHALF OF THE BOARD

B M WEBB

Secretary



1 July 1998

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the financial statements on pages 3 and 4.

Respective Responsibilities of Directors and Auditors

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

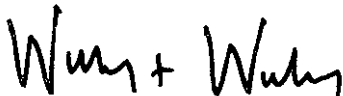
Basis of Opinion

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 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 the company's affairs as at 31 January 1998 and have been properly prepared in accordance with the provisions of the Companies Act 1985.



WARLEY & WARLEY
Chartered Accountants
Registered Auditors
76 Cambridge Road
Kingston upon Thames
Surrey
KT1 3NA

16 July 1998

BALANCE SHEET AT 31 JANUARY 1998

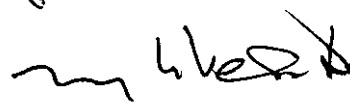

| | <u>Notes</u> | <u>1998</u> £ | <u>1997</u> £ |
|---|--------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Debtors | 3 | 9,275 | 9,275 |
| CREDITORS: amounts falling due within one year | 4 | 4,275 | 4,275 |
| | | <hr/> 5,000 | <hr/> 5,000 |
| CAPITAL AND RESERVES | | | |
| Share capital | 5 | 5,000 | 5,000 |
| Profit and loss account | | - | - |
| | | <hr/> | <hr/> |
| Shareholders' funds (all equity interests) | | <hr/> 5,000 | <hr/> 5,000 |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Approved by the Board of Directors on

I J LE VESCONTE

A M LE VESCONTE

7.7.98

)
)
) Directors
) 

The attached notes 1 to 7 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 1998**1. ACCOUNTING POLICY****Accounting Convention**

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

The company did not trade during the year and accordingly these financial statements have been prepared on the basis that the company is not carrying on business as a going concern.

2. TAXATION

There is no charge to corporation tax on the result for the year.

3. DEBTORS

Amount due from parent company

| <u>1998</u> | <u>1997</u> |
|-------------|-------------|
| £ | £ |

| | |
|-------|-------|
| 9,275 | 9,275 |
| <hr/> | <hr/> |

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Sundry creditors and accruals

| | |
|-------|-------|
| 4,275 | 4,275 |
| <hr/> | <hr/> |

5. SHARE CAPITAL**AUTHORISED**

100,000 ordinary shares of £1 each

| | |
|---------|---------|
| 100,000 | 100,000 |
| <hr/> | <hr/> |

ISSUED AND FULLY PAID

5,000 ordinary shares of £1 each

| | |
|-------|-------|
| 5,000 | 5,000 |
| <hr/> | <hr/> |

6. PARENT COMPANY

The company's parent company at 31 January 1998 was Leovic Limited, incorporated in England.

7. RELATED PARTY DISCLOSURE

The company is controlled by its parent undertaking Leovic Limited. The ultimate controlling party is Mr I J Le Vesconte who is both a director and majority shareholder of that company.