

Chrysalis Properties Limited

Directors' report and financial statements

31 August 1996

Registered number 1056749



Chrysalis Properties Limited

Directors' report and financial statements

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Chrysalis Properties Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 August 1996.

Principal activities, trading review and future developments

The principal activity of the company is property dealing. The directors do not anticipate any change in the level of activities over the coming year.

Results and dividends

The profit for the year and transfer to reserves (*1995: loss and transfer from reserves*) are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a dividend for the year under review (*1995: £nil*).

Directors and directors' interests

The directors who held office during the year were as follows:

CN Wright
NRA Butterfield

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

At 31 August 1996 and 31 August 1995, CN Wright and NRA Butterfield were also directors of Chrysalis Group plc, the ultimate parent company, and their share interests are stated in the directors' report of that company.

By order of the Board

CR Potterell
Secretary



The Chrysalis Building
Bramley Road
London
W10 6SP

26 February 1997

Chrysalis Properties Limited

Statement of 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 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 that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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London
EC4Y 8BB

Auditors' report to the members of Chrysalis Properties Limited

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 2 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 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 August 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

26 Feb 1997

Chrysalis Properties Limited

Profit and loss account for the year ended 31 August 1996

	<i>Note</i>	1996 £	1995 £
Turnover		15,740	194,254
Cost of sales		(12,064)	(197,437)
		<hr/>	<hr/>
Gross profit/(loss)		3,676	(3,183)
Administrative expenses		(1,716)	(3,804)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before and after taxation	2,4	1,960	(6,987)
Accumulated losses brought forward		(609,232)	(602,245)
		<hr/>	<hr/>
Accumulated losses carried forward		(607,272)	(609,232)
		<hr/>	<hr/>

The notes on pages 7 to 8 form part of these financial statements.

Chrysalis Properties Limited

Statement of total recognised gains and losses *for the year ended 31 August 1996*

There were no recognised gains or losses in the current or the previous year other than the retained profit/(loss) for those years.

Reconciliation of movements in shareholders' funds *for the year ended 31 August 1996*

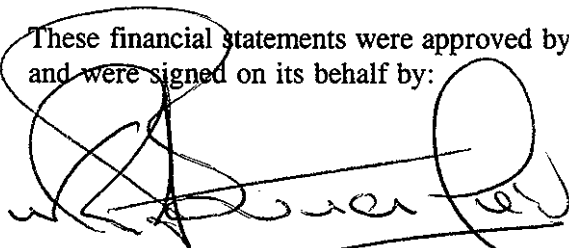
	1996 £	1995 £
Shareholders' deficit brought forward	(609,132)	(602,145)
Profit/(loss) retained in the year	<u>1,960</u>	<u>(6,987)</u>
Shareholders' deficit carried forward	<u>(607,172)</u>	<u>(609,132)</u>

Chrysalis Properties Limited

Balance sheet at 31 August 1996

	Note	1996 £	1995 £
Current assets			
Debtors	5	169	265
Cash at bank and in hand		2,957	5,590
		<u>3,126</u>	<u>5,855</u>
Creditors: amounts falling due within one year	6	(610,298)	(614,987)
Net liabilities		<u>(607,172)</u>	<u>(609,132)</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account		(607,272)	(609,232)
Shareholders' deficit - equity		<u>(607,172)</u>	<u>(609,132)</u>

These financial statements were approved by the Board of directors on 26 February 1997 and were signed on its behalf by:



NRA Butterfield
Director

The notes on pages 7 to 8 form part of these financial statements.

Chrysalis Properties Limited

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The following policies have been consistently applied:

Going concern

The parent company has informed the company that it is their present intention to provide such financial support as is required for the company's continued operations.

Turnover

Turnover is derived from the sale of properties and is wholly related to the company's principal activity in the UK.

2 Profit/(loss) on ordinary activities before taxation

	1996	1995
	£	£
<i>Profit/(loss) on ordinary activities before taxation is stated after charging:</i>		
Auditors' remuneration:		
Audit	850	800

3 Directors' and employees' remuneration

The directors received no remuneration from the company for services during the year. The company did not have any other employees and as a result incurred no staff costs.

Messrs CN Wright and NRA Butterfield received remuneration from Chrysalis Group plc which is disclosed in the financial statements of that company.

4 Taxation

No tax charge arises in the current year because of available tax losses (1995:£nil).

Chrysalis Properties Limited

Notes (continued)

5 Debtors: due within one year

	1996	1995
	£	£
Other debtors	<u>169</u>	<u>265</u>

6 Creditors: amounts falling due within one year

	1996	1995
	£	£
Amounts owed to group undertakings	605,948	614,187
Accruals and deferred income	<u>4,350</u>	<u>800</u>
	<u>610,298</u>	<u>614,987</u>

7 Called up share capital

<i>Equity</i>	1996	1995
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

8 Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Chrysalis Group plc, and its cash flows are included within the consolidated cash flow statement of that company.

9 Ultimate parent company

The ultimate parent company is Chrysalis Group plc which is registered in England and Wales, for which consolidated accounts are prepared. The consolidated accounts of this company may be obtained from The Secretary, Chrysalis Group plc, The Chrysalis Building, Bramley Road, London, W10 6SP.