

REG OF COMPANIES

REGISTERED NUMBER:
01066899
England and Wales

DONALD MOODY INVESTMENTS AND DEVELOPMENTS LIMITED

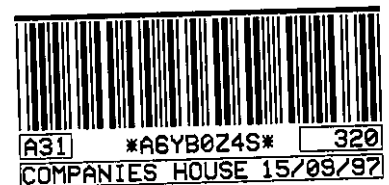
ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 1996

THOMAS DAVID

Chartered Accountants



Thomas David

— CHARTERED ACCOUNTANTS —

AUDITORS' REPORT TO DONALD MOODY INVESTMENTS AND DEVELOPMENTS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 5, together with the full statutory accounts of the company for the year ended 31st December 1996 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 19th August 1997 we reported as auditors to the shareholders of the company on the full statutory accounts prepared under section 226 of the Companies Act 1985 and our audit report under section 235 of the Companies Act 1985 was as follows:-

"We have audited the accounts on pages 3 to 7 which have been prepared in accordance with the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

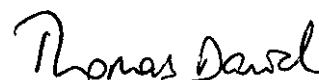
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

QUALIFIED OPINION ARISING FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT

As explained in note 1, the company's freehold investment properties have not been included in the accounts at their open market value as required by Statement of Standard Accounting Practice No. 19. However, the market value of the properties as advised by the directors is stated in note 5 to the accounts. The effect of this treatment is to reduce the value of freehold investment properties shown in the accounts by £2,604,373 and this amount is therefore not included as a revaluation reserve.

Except for the failure to include the company's freehold investment properties at open market value, in our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Mercer House
10 Watermark Way
Hertford
Hertfordshire, SG13 7TZ



THOMAS DAVID

19th August 1997

CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS

DONALD MOODY INVESTMENTS AND DEVELOPMENTS LIMITED

ABBREVIATED BALANCE SHEET - 31ST DECEMBER 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
FIXED ASSETS			
Tangible assets	2.	3,336,690	3,171,082
CURRENT ASSETS			
Debtors		43,810	15,602
Cash at bank		995,594	767,111
		<u>1,039,404</u>	<u>782,713</u>
CREDITORS: amounts falling due within one year	3.	<u>307,781</u>	<u>251,643</u>
NET CURRENT ASSETS		<u>731,623</u>	<u>531,070</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,068,313	3,702,152
CREDITORS: amounts falling due after more than one year	3.	567,832	567,832
NET ASSETS		<u>£3,500,481</u>	<u>£3,134,320</u>
CAPITAL AND RESERVES			
Called up share capital	4.	200	200
Profit and loss account		3,500,281	3,134,120
SHAREHOLDERS' FUNDS		<u>£3,500,481</u>	<u>£3,134,320</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board: 19th August 1997

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D.A. MOODY DIRECTOR

The notes on pages 4 to 5 form part of these accounts.

DONALD MOODY INVESTMENTS AND DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1996

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Rent receivable

This comprises the value of rent receivable on investment properties in the normal course of business.

(c) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Motor vehicles 20% on cost

No depreciation is provided on the company's freehold investment properties because, as stated in Note 2 to these accounts, the market value of these properties is substantially in excess of the cost shown on the balance sheet.

2. TANGIBLE FIXED ASSETS

	<u>Motor Vehicle</u>	<u>Freehold Investment Properties</u>	<u>Total</u>
COST			
At 1st January 1996	17,000	3,160,882	3,177,882
Additions	-	169,008	169,008
At 31st December 1996	17,000	3,329,890	3,346,890
DEPRECIATION			
At 1st January 1996	6,800	-	6,800
Charge for year	3,400	-	3,400
At 31st December 1996	10,200	-	10,200
NET BOOK VALUE			
At 31st December 1996	£ 6,800	3,329,890	3,336,690
At 31st December 1995	£10,200	3,160,882	3,171,082

Although no professional valuation of the company's investment properties was made for the year under review, the directors consider their market value at the balance sheet date to be £5,934,263.

DONALD MOODY INVESTMENTS AND DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1996

	<u>1996</u>	<u>1995</u>
3. CREDITORS		
Creditors include the following:		
Bank loan - repayable between 2-5 years (secured)	567,832	-
- repayable in 5 years or more (secured)	-	567,832
	<u>£ 567,832</u>	<u>£ 567,832</u>
4. CALLED SHARE CAPITAL		
Authorised, issued and fully paid		
200 ordinary shares of £1 each	<u>£200</u>	<u>£200</u>