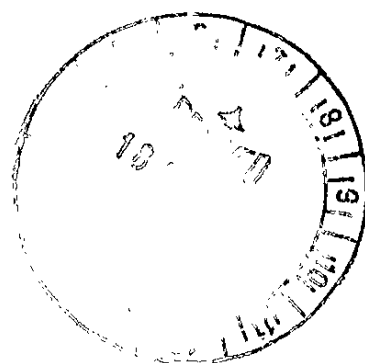


CRISTOBAL ESTATES LIMITED

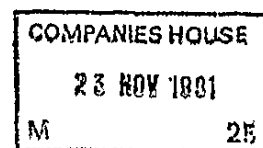
(REGISTERED NUMBER 1138461)

REPORT AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 1990



COHEN, ARNOLD & CO
CHARTERED ACCOUNTANTS
LONDON W1



CRISTOBAL ESTATES LIMITED

REPORT OF THE DIRECTORS

The Directors present herewith their Report together with the audited Accounts of the company for the year ended 31st December 1990.

Principal Activity

The principal activity of the company during the year was property trading.

Accounts and Dividends

The results of the company for the year under review are set out in the attached Profit and Loss Account.

The Directors do not recommend a dividend.

Properties

The Directors have reviewed the trading stock and are satisfied that each property still has a value at least equal to the figures at which it is included in the Balance Sheet at 31st December 1990.

Directors

The Directors of the company who served throughout the year were:

Mr P Pizer and Mr I M Katz and Mr B S E Freshwater.

The Articles of Association of the company do not require the Directors to retire by rotation.

The Directors do not have service contracts and have not received any emoluments from the company.

CRISTOBAL ESTATES LIMITED

REPORT OF THE DIRECTORS

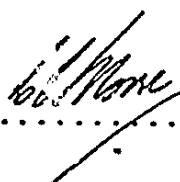
Directors' Interest in Share Capital

| | <u>1990</u> | <u>1989</u> |
|---------------------|-------------|-------------|
| Mr P Pizer | 1 | 1 |
| Mr T M Katz | 1 | 1 |
| Mr B S E Freshwater | - | - |

Auditors:

A resolution will be proposed at the forthcoming Annual General Meeting that Messrs. Cohen, Arnold & Co. will be reappointed as auditors of the company, and that their remuneration be determined by the Directors.

BY ORDER OF THE BOARD


.....

C.C. MORSE

23 August 1991

SECRETARY

REPORT OF THE AUDITORS, COHEN ARNOLD & CO.

TO THE MEMBERS OF

CRISTOBAL ESTATES LIMITED

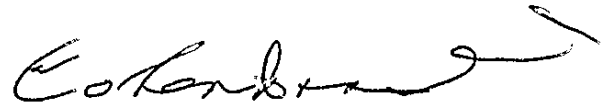
We have audited the annexed financial statements in accordance with Auditing Standards.

The financial statements have been drawn up on a going concern basis.

Subject to this, in our opinion, the financial statements give a true and fair view of the state of affairs of the company at 31st December 1990 and of the result and Source and Application of Funds of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

LONDON

23 August 1991


COHEN, ARNOLD & CO
CHARTERED ACCOUNTANTS

CRISTOBAL ESTATES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1990

| | <u>NOTES</u> | <u>£</u> | <u>1990</u> <u>£</u> | <u>£</u> | <u>1989</u> <u>£</u> |
|------------------------------------|--------------|----------|-------------------------|----------|-------------------------|
| Rents and Charges Receivable | 2 | | 151,691 | | 256,280 |
| Property Outgoings | 2 | | (142,973) | | (364,874) |
| | | | <hr/> | | <hr/> |
| | | | 8,718 | | (108,594) |
| Surplus on Sale of Properties | | | - | | 67,040 |
| | | | <hr/> | | <hr/> |
| | | | 8,718 | | (41,554) |
| Interest Receivable | | | 465 | | - |
| Administrative Expenses | 3 | | (25,085) | | (24,671) |
| Interest Payable | 4 | | (307,642) | | (286,887) |
| | | | <hr/> | | <hr/> |
| <u>LOSS ON ORDINARY ACTIVITIES</u> | | | | | |
| <u>BEFORE AND AFTER TAXATION</u> | | | (323,544) | | (353,112) |
| Adverse Balance Brought Forward | | | (3,146,830) | | (2,793,718) |
| | | | <hr/> | | <hr/> |
| Adverse Balance Carried Forward | | | £(3,470,374) | | £(3,146,830) |
| | | | <hr/> <hr/> | | <hr/> <hr/> |

The notes referred to above form part of these Accounts.

CRISTOBAL ESTATES LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1990

| | | | <u>1990</u> | <u>1989</u> |
|-----------------------------------|--------------|---------------------|---------------------|-------------|
| | <u>NOTES</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| <u>FIXED ASSETS</u> | | | | |
| Investments | 5 | (38,517) | (38,517) | |
| <u>CURRENT ASSETS</u> | | | | |
| Properties held | | | | |
| for trading | 6 | 527,881 | 496,226 | |
| Debtors | 7 | 78,321 | 135,562 | |
| | | <u>606,202</u> | <u>631,788</u> | |
| <u>CREDITORS: AMOUNTS FALLING</u> | | | | |
| <u>DUE WITHIN ONE YEAR</u> | 8 | (4,038,057) | (3,740,099) | |
| <u>NET CURRENT LIABILITIES</u> | | (3,431,855) | (3,108,311) | |
| | | <u>£(3,470,372)</u> | <u>£(3,146,828)</u> | |
| <u>CAPITAL AND RESERVES</u> | | | | |
| Called up share capital | 9 | 2 | 2 | |
| Profit and Loss Account | | (3,470,374) | (3,146,830) | |
| | | <u>£(3,470,372)</u> | <u>£(3,146,828)</u> | |

These Accounts were approved by the Board of Directors on 23 August 1991

.....




 DIRECTORS

The attached Notes form part of these Accounts.

CRISTOBAL ESTATES LIMITED

SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31ST DECEMBER 1990

| | <u>1990</u> | <u>1989</u> |
|--|-----------------------------|-----------------------------|
| | <u>£</u> | <u>£</u> |
| <u>Source of Funds</u> | | |
| Loss on ordinary activities before tax | £(223,544) | £(353,112) |
| | <u> </u> | <u> </u> |
| <u>Components of Reduction</u> | | |
| <u>in Working Capital</u> | | |
| Properties held for Trading | 31,655 | 17,322 |
| Creditors | (297,958) | (448,765) |
| Debtors | (57,241) | 78,331 |
| | <u> </u> | <u> </u> |
| | £(323,544) | £(353,112) |
| | <u> </u> | <u> </u> |

CRISTOBAL ESTATES LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The following is a statement of the Principal Accounting Policies of the Company:-

(a) Basis of Preparation of the Accounts:

The Accounts have been prepared under the Historical Cost Convention.

(b) Disposal of Properties:

Disposals are considered to have taken place at the date of legal completion.

(c) Trading Properties:

These properties are stated at the lower of cost and net realisable value.

2. TURNOVER

| | <u>1990</u> | | | <u>1989</u> | | |
|----------------|-----------------|-----------------|----------------|-----------------|-----------------|------------------|
| | <u>Turnover</u> | <u>Cost of</u> | <u>(Loss)/</u> | <u>Turnover</u> | <u>Cost of</u> | <u>(Loss)/</u> |
| | <u>£</u> | <u>Turnover</u> | <u>Profit</u> | <u>£</u> | <u>Turnover</u> | <u>Profit</u> |
| | | <u>£</u> | <u>£</u> | | <u>£</u> | <u>£</u> |
| Trading | | | | | | |
| Property Sales | - | - | - | 79,999 | 12,959 | 67,040 |
| Rent and | | | | | | |
| Charges | | | | | | |
| Receivable | 151,691 | 142,973 | 8,718 | 256,280 | 364,874 | (108,594) |
| | <u>£151,691</u> | <u>£142,973</u> | <u>£8,718</u> | <u>£336,279</u> | <u>£377,833</u> | <u>£(41,554)</u> |

CRISTOBAL ESTATES LIMITED

NOTES TO THE ACCOUNTS

3. ADMINISTRATIVE EXPENSE

| | <u>1990</u> | <u>1989</u> |
|--------------------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Audit Fees | 1,293 | 1,265 |
| Legal and Professional Charges | 23,792 | 23,406 |
| | <hr/> | <hr/> |
| | £25,085 | £24,671 |
| | <hr/> | <hr/> |

4. INTEREST PAYABLE

| | <u>1990</u> | <u>1989</u> |
|--------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| On short term loan | 307,642 | 286,000 |
| On overdue tax | - | 887 |
| | <hr/> | <hr/> |
| | £307,642 | £286,887 |
| | <hr/> | <hr/> |

5. FIXED ASSET - INVESTMENTS

| | <u>1990</u> | <u>1989</u> |
|---|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Cost of shares held in subsidiary company | 19,000 | 19,000 |
| Amount due to subsidiary company | (57,517) | (57,517) |
| | <hr/> | <hr/> |
| | £(38,517) | £(38,517) |
| | <hr/> | <hr/> |

6. TRADING PROPERTIES

| | | |
|---|----------|----------|
| At the lower of cost and net realisable value | £527,881 | £496,226 |
| | <hr/> | <hr/> |

CRISTOBAL ESTATES LIMITED

NOTES TO THE ACCOUNTS

7. DEBTORS

| | <u>1990</u> | <u>1989</u> |
|---|-------------------|-------------------|
| | <u>£</u> | <u>£</u> |
| Rents and Service Charges due and Accrued | 56,027 | 124,731 |
| Other Debtors | 22,294 | 10,831 |
| | <u> </u> | <u> </u> |
| | <u>£78,321</u> | <u>£135,562</u> |

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>1990</u> | <u>1989</u> |
|--------------------------------------|-------------------|-------------------|
| | <u>£</u> | <u>£</u> |
| Rents and Service Charges in advance | 8,006 | 8,060 |
| Other Creditors and Accruals | 4,030,051 | 3,732,039 |
| | <u> </u> | <u> </u> |
| | <u>£4,038,057</u> | <u>£3,740,099</u> |

- Included in other creditors and accruals is an amount of £2,465,425 (1989:£2,465,425) being a loan repayable on demand on which interest is payable at 10% per annum. At the Balance Sheet date interest of £918,642 was accrued and unpaid.

9. CALLED UP SHARE CAPITAL

Authorised:

100 Ordinary Shares of £1 each

| <u>1990</u> | <u>1989</u> |
|---------------|---------------|
| <u>£</u> | <u>£</u> |
| £100 | £100 |
| <u> </u> | <u> </u> |

Issued and Fully Paid:

2 Ordina · Shares of £1 each

| <u>1990</u> | <u>1989</u> |
|---------------|---------------|
| <u>£</u> | <u>£</u> |
| £2 | £2 |
| <u> </u> | <u> </u> |