

L.D.M. FINANCE COMPANY LIMITED
(Company No. 1498947)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1997



L.D.M. FINANCE COMPANY LIMITED

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L.D.M. FINANCE COMPANY LIMITED

DIRECTORS	L.W. Melville S.F. Melville
SECRETARY	P.M. Enoch
REGISTERED OFFICE	8 Baltic Street East, London EC1Y 0UJ.
AUDITORS	Silver Altman, Chartered Accountants, 8 Baltic Street East, London EC1Y 0UJ.

REPORT OF THE DIRECTORS

The Directors present their report, together with the audited financial statements for the year ended 30 April 1997.

Principal activities

The Company is a member of a partnership whose principal activities in the year were the provision of finance, lessors of capital equipment and dealers in securities under the name of Melville Trading Trusts.

Review of business

A summary of the results for the year is shown on page 4 of the financial statements.

Dividend

The Directors do not recommend the payment of a dividend in respect of the year (1996: Nil).

Directors

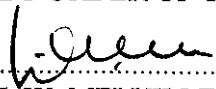
The Directors during the year and their interests in the share capital of the Company were as follows:-

	At 30 April 1997	At 1 May 1996
L.W. Melville	NIL	NIL
S.F. Melville	NIL	NIL

Auditors

The auditors, Silver Altman, will be proposed for re-appointment in accordance with Section 385(2) of the Companies Act 1985.

BY ORDER OF THE BOARD


L.W. MELVILLE ESQ.
DIRECTOR

14 November 1997

DIRECTORS' RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

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 as at the end of the financial year 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;
- 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. 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' REPORT TO THE SHAREHOLDERS OF

L.D.M. FINANCE COMPANY LIMITED

We have audited the financial statements on pages 4 to 7 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 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

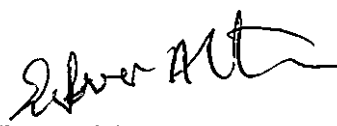
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 mis-statement, 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 30 April 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

8 Baltic Street East,
London EC1Y 0UJ


Chartered Accountants
Registered Auditors

14 November 1997

L.D.M. FINANCE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 April 1997

	Notes	1997 £	1996 £
TURNOVER	2	91,635	60,017
Interest receivable	4	-	578
		-----	-----
PROFIT on ordinary activities before taxation		91,635	60,595
TAXATION	5	(21,266)	(20,474)
		-----	-----
PROFIT on ordinary activities after taxation		70,369	40,121
BALANCE BROUGHT FORWARD		564,590	524,469
		-----	-----
BALANCE CARRIED FORWARD		£ 634,959	£ 564,590
		=====	=====

Statement of total recognised gains and losses

No statement is required as there are no recognised gains or losses other than the profit for the year.

Continuing operations

None of the Company's operations were acquired or discontinued during the above two financial years.

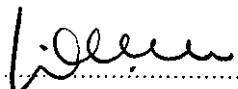
The notes on pages 6 and 7 form part of these financial statements.

L.D.M. FINANCE COMPANY LIMITED

BALANCE SHEET as at 30 April 1997

	Notes	1997 £	1996 £
CURRENT ASSETS			
Amount due from partnership			
- Capital Account		2,319	2,319
- Current Account		655,834	575,936
		-----	-----
		658,153	578,255
CREDITOR: Amount falling due within one year			
Taxation		(20,723)	(11,194)
		-----	-----
NET CURRENT ASSETS		637,430	567,061
CREDITOR: Amount falling due after more than one year			
Debenture loan	6	(2,371)	(2,371)
		-----	-----
NET ASSETS		£ 635,059	£ 564,690
		=====	=====
Represented by:-			
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Profit and loss account		634,959	564,590
		-----	-----
Equity Shareholders' Funds	8	£ 635,059	£ 564,690
		=====	=====

These financial statements were approved by the Board and signed on its behalf by:-



 L.W. Melville

14 November 1997

The notes on pages 6 and 7 form part of these financial statements.

L.D.M. FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 1997

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Cash flow statement

The Company is entitled to the exemptions available to small companies under the Companies Act 1985, and therefore no cash flow statement is included in the financial statements.

2. TURNOVER

Turnover represents the Company's share of the profits from a partnership whose principal activities during the year were the provision of financing, leasing of capital equipment and dealing in securities conducted under the name of Melville Trading Trusts.

3. EMPLOYEES

The Directors are the only employees of the Company. No remuneration was paid in the year.

4. INTEREST RECEIVABLE

	1997	1996
Corporation tax repayment supplement	£ -	£ 578
	=	==

5. TAXATION

The Company's share of the tax charge on the profit on ordinary activities for the year was as follows:-

	1997 £	1996 £
Corporation tax @ 33% on the profit for the year	30,805	20,444
Overprovision for corporation tax in previous years	(9,625)	-
Income tax and credits	10,169	9,281
Taxation recoverable	(10,083)	(9,251)
	-----	-----
	£ 21,266	£ 20,474
	=====	=====

L.D.M. FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 April 1997

6. DEBENTURE LOAN

The debenture loan is due to the overseas holding company and is interest free until demand for repayment is made. There is no fixed date for repayment. The debenture creates a first fixed charge over all the Company's fixed assets including all the goodwill and uncalled capital for the time being and a first floating charge over all other undertakings and assets of the Company.

7. SHARE CAPITAL

	1997	1996
Authorised		
1,000 ordinary shares of £1 each	£ 1,000	£ 1,000
	=====	=====
Allotted and fully paid		
100 ordinary shares of £1 each	£ 100	£ 100
	=====	=====

8. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	1997	1996
	£	£
Profit for the financial year	70,369	40,121
Equity shareholders' funds at 1 May 1996	564,690	524,569
	-----	-----
Equity shareholders' funds at 30 April 1997	£ 635,049	£ 564,690
	=====	=====

9. DIRECTORS' INTERESTS IN CONTRACTS

The Directors are also Directors of the two Companies which are the other members of the partnership which conducts business under the name of Melville Trading Trusts.

10. HOLDING COMPANY

The Company's holding company is Cyclamen Investments Limited incorporated under the laws of the Commonwealth of the Bahamas.