

LEOWELL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
25TH MARCH 1997

Company number 1612740



LEOWELL LIMITED

REPORT AND FINANCIAL STATEMENTS

PERIOD ENDED 25TH MARCH 1997

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LEOWELL LIMITED

DIRECTORS REPORT

PERIOD ENDED 25TH MARCH 1997

The directors present their annual report together with the audited financial statements for the period ended 25th March 1997.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of property development.

CHANGE OF ACCOUNTING REFERENCE DATE

In accordance with the Companies Act 1985 the company changed its accounting reference date from 31st March to 25th March. Accordingly these financial statements cover the 359 day period from 1st April 1996 until 25th March 1997.

RESULTS FOR THE PERIOD

The profit for the period after taxation was £143,800 (1996 : profit £569,881).

DIVIDENDS

The directors recommend that no dividend be paid.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the period were as follows:

R A Nadler
N K Ross

None of the directors held any interest in the shares of the company.

Details of the directors interests in the shares of the ultimate parent company are given in the directors report of that company.

LEOWELL LIMITED

DIRECTORS REPORT

PERIOD ENDED 25TH MARCH 1997

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

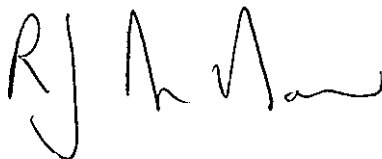
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 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

Hays Allan have expressed their willingness to continue in office and offer themselves for re-appointment in accordance with the Companies Act 1985.

BY ORDER OF THE BOARD



R J De Barr
Secretary

Registered office:
1 De Walden Court
85 New Cavendish Street
London W1M 7RA

30th June 1997

AUDITORS' REPORT TO THE MEMBERS OF

LEOWELL LIMITED

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

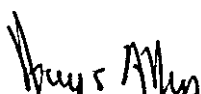
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

GOING CONCERN

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements and, in particular, note 1 concerning the ability of the company to continue as a going concern. Our opinion is not qualified in this respect.

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 25th March 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Hays Allan
Chartered Accountants
Registered Auditors

Southampton House
317 High Holborn
London
WC1V 7NL

30th June 1997

LEOWELL LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE PERIOD ENDED 25TH MARCH 1997**

	Note	1997		1996	
		£	£	£	£
RENTAL INCOME			33,575		194,250
Property expenses			(5,629)		(30,713)
NET INCOME FROM PROPERTY			<u>27,946</u>		<u>163,537</u>
Administration expenses		(15,714)		(68,484)	
Profit on property trading		193,502		700,828	
			<u>177,788</u>		<u>632,344</u>
OPERATING PROFIT			<u>205,734</u>		<u>795,881</u>
Interest receivable	2		3,711		-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>209,445</u>		<u>795,881</u>
Taxation on profit on ordinary activities	3		(65,645)		(226,000)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			<u>143,800</u>		<u>569,881</u>

All rental income and operating profits are derived from continuing activities

All recognised gains and losses have been included in the profit and loss account.

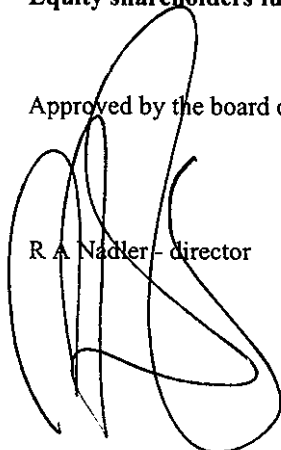
LEOWELL LIMITED

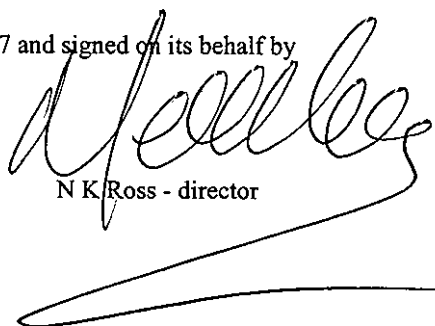
BALANCE SHEET

AT 25TH MARCH 1997

	Note	1997	1996
		£	£
FIXED ASSETS			
Investments		-	206
CURRENT ASSETS			
Stocks	4	77,174	77,174
Debtors - amounts due within one year	5	489,479	2,649,820
Cash at bank and in hand		-	2,670
		<u>566,653</u>	<u>2,729,664</u>
CREDITORS: Amounts falling due within one year	6	(1,357,200)	(3,664,217)
NET CURRENT LIABILITIES		(790,547)	(934,553)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(790,547)</u>	<u>(934,347)</u>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Profit and loss account - deficit	8	(790,647)	(934,447)
Equity shareholders funds		<u>(790,547)</u>	<u>(934,347)</u>

Approved by the board of directors on 30th June 1997 and signed on its behalf by


R A Nadler - director


N K Ross - director

LEOWELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 25TH MARCH 1997

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties, and in accordance with applicable accounting standards.

The financial statements have been prepared on the going concern basis on the assumption that the company will continue to be supported by its ultimate parent undertaking.

1.2 Stocks of properties

Stocks of properties are valued at the lower of cost and net realisable value. Property acquisitions and disposals are accounted for when legally binding contracts which are irrevocable and unconditional are exchanged.

1.3 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.4 Turnover

Turnover represents the invoiced amount of good sold and services provided during the period, stated net of value added tax.

2. INTEREST RECEIVABLE

	1997	1996
	£	£
Other interest receivable	3,711	-
	<hr/>	<hr/>

3. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	1997	1996
	£	£
UK corporation tax	70,000	226,000
Adjustment in respect of prior years	(4,355)	-
	<hr/>	<hr/>
	65,645	226,000
	<hr/>	<hr/>

LEOWELL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 25TH MARCH 1997****4. STOCKS**

	1997	1996
	£	£
Stock of properties	77,174	77,174

5. DEBTORS : Amounts due within one year

	1997	1996
	£	£
Amounts due from group undertakings	489,479	542,917
Other debtors	-	2,083,207
Prepayments and accrued income	-	23,696
	489,479	2,649,820

6. CREDITORS: Amounts falling due within one year

	1997	1996
	£	£
Bank overdrafts	220	-
Amounts due to group undertakings	1,256,480	3,392,270
Other creditors	30,500	32,046
Corporation tax	70,000	228,394
Other taxes and social security	-	8,357
Accruals and deferred income	-	3,150
	1,357,200	3,664,217

7. SHARE CAPITAL

	1997	1996
	£	£
Authorised:		
Ordinary shares of £1.00 each	100	100
Issued, allotted and fully paid:		
Ordinary shares of £1.00 each	100	100

LEOWELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 25TH MARCH 1997

8. PROFIT AND LOSS ACCOUNT

	£
1st April 1996 - deficit	(934,447)
Retained profit for the period	143,800
25th March 1997 - deficit	<u>(790,647)</u>

9. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Compco Holdings PLC which is registered in Scotland.

Group financial statements for the ultimate parent undertaking are available to the public from Companies Registration Office, 102 George Street, Edinburgh, EH2 3DJ on payment of the appropriate fee.