

LEOWELL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31ST MARCH 1995

COMPANY REGISTRATION NUMBER: 1612740



HAYS ALLAN
CHARTERED ACCOUNTANTS

LEOWELL LIMITED

REPORT AND FINANCIAL STATEMENTS

PERIOD ENDED 31ST MARCH 1995

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LEOWELL LIMITED

DIRECTORS' REPORT

PERIOD ENDED 31ST MARCH 1995

The directors submit their report and audited financial statements of the company for the period ended 31st March 1995. The previous accounting reference date was 25th March 1994. The directors have taken advantage of the provisions of Section I Companies Act 1985 and moved the accounting reference date to 31st March.

REVIEW OF THE BUSINESS

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

RESULTS AND DIVIDENDS

The company's profit for the period after taxation was £20,424 (1994: loss £380,387). The directors recommend that no dividend be paid.

PARENT COMPANY

The company is a wholly owned subsidiary of Compco Holdings PLC.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the period were:-

R.A. Nadler (Chairman)
J.E. Nadler

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

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 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.

LEOWELL LIMITED

DIRECTORS' REPORT (continued)

PERIOD ENDED 31ST MARCH 1995

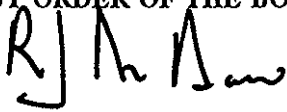
CLOSE COMPANY STATUS

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution to re-appoint Hays Allan as auditors will be put to the Annual General Meeting.

BY ORDER OF THE BOARD



R.J. De BARR
Secretary

REGISTERED OFFICE

Southampton House,
317 High Holborn,
London WC1V 7NL.

1st June 1995

**AUDITORS' REPORT TO THE MEMBERS OF
LEOWELL 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 1 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.

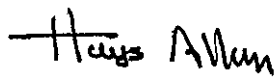
Basis of opinion

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 31st March 1995 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**

1st June 1995

LEOWELL LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD ENDED 31ST MARCH 1995**

	Note	1995 £	1994 £
NET INCOME FROM PROPERTY	2	109,937	119,678
Loss on development of property		(48,354)	(365,400)
		<u>61,583</u>	<u>(245,722)</u>
Administrative expenses	3	(1,343)	(1,000)
OPERATING PROFIT/(LOSS)		<u>60,240</u>	<u>(246,722)</u>
Interest receivable		2,161	-
Interest payable		(31,977)	(133,665)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>30,424</u>	<u>(380,387)</u>
Taxation	4	10,000	-
RETAINED PROFIT/(LOSS) FOR THE PERIOD		<u><u>£20,424</u></u>	<u><u>£(380,387)</u></u>

Net income from property and operating profit/(loss) are derived solely from continuing activities.

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

A separate movement of shareholders' funds is not provided as there are no changes for the current and previous year, other than the retained profit/(loss) in the profit and loss account.

LEOWELL LIMITED
BALANCE SHEET
AT 31ST MARCH 1995

	Note	1995	1994
		£	£
FIXED ASSETS			
Investments	5	206	206
CURRENT ASSETS			
Stocks	6	1,627,174	552,174
Debtors	7	561,537	676,060
Cash at bank and in hand		-	10,980
		<u>2,188,711</u>	<u>1,239,214</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>(3,693,145)</u>	<u>(2,764,072)</u>
NET CURRENT LIABILITIES		<u>(1,504,434)</u>	<u>(1,524,858)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£(1,504,228)</u>	<u>£(1,524,652)</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account	10	<u>(1,504,328)</u>	<u>(1,524,752)</u>
Attributable to equity shareholders		<u>£(1,504,228)</u>	<u>£(1,524,652)</u>

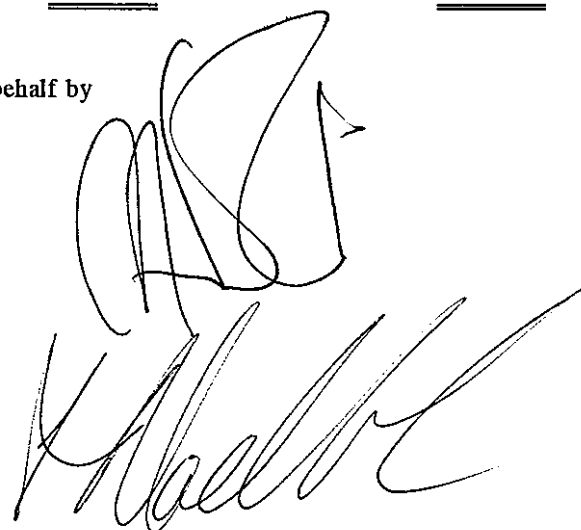
Approved by the Board on 1st June 1995 and signed on their behalf by

R.A. NADLER

)
)
) Directors

J.E. NADLER

)
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LEOWELL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 31ST MARCH 1995****1. ACCOUNTING POLICIES****a) Basis of preparation**

The financial statements are prepared on the historical cost basis 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 parent company.

b) Stocks

Stocks are valued at the lower of cost and net realisable value.

2. NET INCOME FROM PROPERTY

	1995	1994
	£	£
Rents receivable	160,292	171,708
Less: property expenses	(50,355)	(52,030)
	<u>£109,937</u>	<u>£119,678</u>

3. ADMINISTRATIVE EXPENSES

Audit fees	1,000	1,000
Bank charges	343	-
	<u>£1,343</u>	<u>£1,000</u>

4. TAXATION

The credit for corporation tax is made up as follows:-

UK Corporation tax at 33% (1994: Nil)	<u>£10,000</u>	<u>£ -</u>
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5. INVESTMENTS

Unlisted		
At 31st March 1995 and 25th March 1994	<u>£206</u>	<u>£206</u>

6. STOCKS

Properties held for development or resale	<u>£1,627,174</u>	<u>£552,174</u>
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LEOWELL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****PERIOD ENDED 31ST MARCH 1995**

7. DEBTORS	1995	1994
	£	£
Due within one year:		
Other debtors	9,890	6,966
Amount due from fellow subsidiary undertakings	551,647	551,648
Tax recoverable	-	117,446
	<u>£561,537</u>	<u>£676,060</u>
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	-	1,876,646
Other creditors	-	46,277
Amounts due to parent undertaking	3,680,995	840,149
Corporation tax payable	10,000	-
Accruals and deferred income	2,150	1,000
	<u>£3,693,145</u>	<u>£2,764,072</u>
9. SHARE CAPITAL		
Authorised, issued and fully paid:		
100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
10. PROFIT AND LOSS ACCOUNT		
At 26th March 1994		(1,524,752)
Profit for the period		20,424
At 31st March 1995		<u>£(1,504,328)</u>
11. ULTIMATE PARENT UNDERTAKING		

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

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