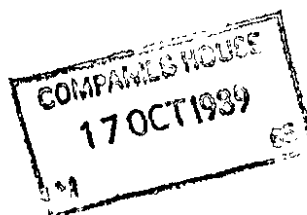


NATIONWIDE SELF-STORAGE LIMITED
MODIFIED ACCOUNTS AND AUDITORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 1988

SLAVEN JEFFCOTE & CO
CHARTERED ACCOUNTANTS

1 Lumley Street
Mayfair
London
W1Y 1TW



AUDITORS' REPORT TO THE DIRECTORS OF
NATIONWIDE SELF-STORAGE LIMITED

We have examined the modified accounts on pages 2 to 4 together with the full financial statements of Nationwide Self Storage Limited for the year ended 31st December 1988. The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to deliver modified accounts and that the modified accounts have been properly prepared from the full financial statements.

In our opinion the directors are entitled under Sections 247-249 of the Companies Act 1985 to deliver modified accounts have been properly prepared in accordance with Schedule 8 of that Act. We are not required to express an audit opinion on the truth and fairness of these modified accounts.

We reported, as auditors of Nationwide Self-Storage Limited, to the members on 2nd October 1989 on the company's accounts prepared under Section 227 of the Companies Act 1985 for the year ended 31st December 1988, and our audit opinion was as follows:

We have audited the financial statements on pages 3 to 10 in accordance with approved Auditing Standards.

Subject to the foregoing, in our opinion the accounts, which have been prepared under the historic cost convention, give a true and fair view of the state of affairs of the company at 31st December 1988 and of the loss 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.

Slaven Jeffcote & Co.

Slaven Jeffcote & Co
Chartered Accountants
1 Lumley Street
Mayfair
London
W1Y 1TW

2nd October 1989

NATIONWIDE SELF-STORAGE LIMITED

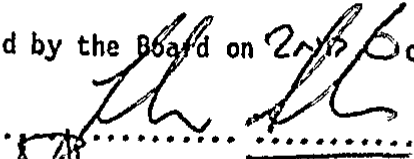
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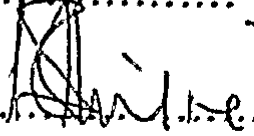
MODIFIED BALANCE SHEET AS AT
31ST DECEMBER 1988

	Note	£	<u>1988</u>	£	£	<u>1987</u>	£
FIXED ASSETS							
Tangible assets				1,396,631			1,271,693
CURRENT ASSETS							
Debtors		11,027				5,435	
Bank balance		12,774				3,985	
		-----				-----	
		23,801				9,420	
CURRENT LIABILITIES							
Creditors due within one year			(1,748,361)			(1,331,054)	
			-----			-----	
Net current liabilities				(1,724,560)			(1,321,634)
				-----			-----
TOTAL ASSETS LESS CURRENT LIABILITIES				(327,929)			(49,941)
				=====			=====
SHARE CAPITAL AND RESERVES							
Called-up share capital 3				55,264			55,264
Share premium account				44,744			44,744
Profit and loss account				(427,937)			(149,949)
				-----			-----
				(327,929)			(49,941)
				=====			=====

These accounts have been modified in accordance with the Companies Act 1985. In doing so, we have relied upon Sections 247 to 249 of the Companies Act as entitling us to deliver modified accounts, on the grounds that the company is entitled to the benefit of those Sections as a small company.

Approved by the Board on 21st October 1989

.....

) DIRECTORS



The attached notes form an integral part of these financial statements.

NATIONWIDE SELF-STORAGE LIMITED
NOTES TO THE MODIFIED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1988

1. Accounting Policies

a. Basis of Accounting

These financial statements have been prepared in accordance with the historical cost convention and on the basis of a going concern which is dependent upon the support of the bank.

b. Turnover

Turnover represents fees receivable from the provision of storage facilities.

c. Depreciation

Depreciation has been provided at a rate to write-off the cost of the asset over the estimated useful life. The rates used are as follows:-

Freehold property and improvements	- 4% - 20%
Leasehold improvements	- Over life of lease
Plant and equipment	- Over life of lease
Office furniture, fixtures & fittings	
Motor Vehicles	- 20% - 33.3%

d. Deferred Taxation

Deferred taxation is calculated on the liability method to take account of timing differences arising from the different treatment of certain items for taxation purposes when compared with their treatment for accounts purposes.

Deferred taxation is provided on timing differences which will probably reverse at rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which in the opinion of the directors will probably not reverse.

These notes form an integral part of the financial statements.

NATIONWIDE SELF-STORAGE LIMITEDNOTES TO THE MODIFIED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1988

2. <u>DEBTORS</u>	<u>1988</u>	<u>1987</u>
	£	£
Amounts falling due within one year	11,027	5,435
	=====	=====
3. <u>CALLED UP SHARE CAPITAL</u>		
Authorised: 100,000 ordinary £1 shares	100,000	100,000
	=====	=====
Issued: 55,264 ordinary £1 shares	55,264	55,264
	=====	=====

4. HOLDING COMPANY

The company is a subsidiary of Kiri Holdings, a company registered in Panama.

These notes form an integral part of the financial statements.