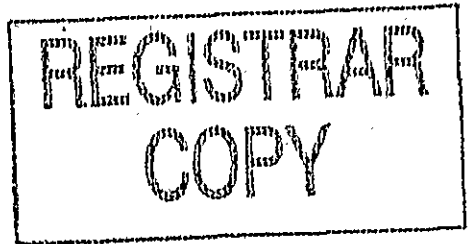


Registered Number 1984155



AZUREMERE LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1991



JEFFREYS HENRY
Chartered Accountants

Finsgate
5 - 7 Cranwood Street
London EC1V 9EE

AYUREMERE LIMITED

INDEX TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1991

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- 1 Directors' Report
- 2 Auditors' Report to the Members
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- 4 Balance Sheet
- 5 - 6 Notes to the Accounts
- * 7 Detailed Profit and Loss Account

* The page so marked does not form part of the statutory accounts.

AZUREMERE LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1991

The director presents herewith his report, together with the audited accounts of the company for the year ended 31st December 1991

RESULTS AND DIVIDENDS

The loss for the period after taxation was £650.

The director does not recommend payment of a dividend for the current year.

REVIEW OF THE BUSINESS

The company's principal activity during the year was that of property investment. The lease of the company's property is due for renewal in March 1992.

DIRECTOR AND HIS INTEREST

The director of the company during the year and his interest in the share capital of the company was as follows:

	<u>Number of shares</u>	
	<u>31st December 1991</u>	<u>31st December 1990</u>
S. Eisenberg	99	99
Mrs. E. Eisenberg (wife of director)	1	1

FIXED ASSETS

The movements in fixed assets during the year are set out in note 5 to the accounts. The director does not consider that the cost of an independent valuation of the freehold property is warranted but in his opinion it has a market value of not less than the book value at 31st December 1991.

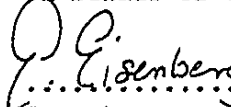
CLOSE COMPANY

The company is a close company within the meaning of Section 414 of the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution to reappoint Messrs. Jeffreys Henry as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board


.....
Secretary

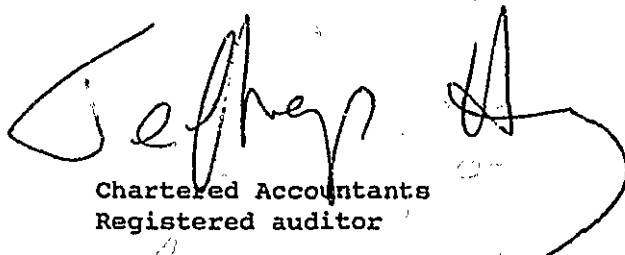
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AUDITORS' REPORT TO THE MEMBERS OF
AZUREMERE LIMITED

We have audited the accounts on pages 3 to 6 in accordance with approved Auditing Standards having regard to the matter referred to in the following paragraph.

The freehold property has not been included in the balance sheet at its open market value as required by the Statement of Standard Accounting Practice No 19.

Subject to the foregoing, in our opinion the accounts give a true and fair view of the state of the company's affairs at 31st December 1991 and of its results for the year then ended and comply with the Companies Act 1985.


Chartered Accountants
Registered auditor

Finsgate,
5 - 7 Cranwood Street,
London, EC1V 9EE.

24/10.....1992

AZUREMERE LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31ST DECEMBER 1991

	<u>Notes</u>	<u>£</u>	<u>1991</u>	<u>£</u>	<u>1990</u>	<u>£</u>
Rent receivable			22,500		22,500	
Administration costs			1,194		1,170	
			<u>21,306</u>		<u>21,330</u>	
OPERATING PROFIT	2					
Interest payable	3	(21,956)	<u>(21,956)</u>	(26,320)	<u>(26,320)</u>	
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(650)		(4,990)	
Tax on ordinary activities	4		<u>-</u>		<u>-</u>	
RETAINED (LOSS) FOR THE YEAR			(650)		(4,990)	
Retained profit brought forward			<u>989</u>		<u>5,978</u>	
RETAINED PROFIT CARRIED FORWARD			<u>£ 339</u>		<u>£ 988</u>	

AZUREMERE LIMITED**BALANCE SHEET****AS AT 31ST DECEMBER 1991**

	<u>Notes</u>	<u>£</u>	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
FIXED ASSETS				
Tangible assets	5		396,525	367,919
CREDITORS - amounts falling due within one year				
	6	(396,086)	(366,831)	
NET CURRENT LIABILITIES			(396,086)	(366,831)
NET ASSETS			<u>£ 439</u>	<u>£ 1,088</u>

Financed by:

CAPITAL AND RESERVES

Called up share capital	7	100	100
Profit and loss account		339	988


.....
Director21.10.1992
.....
Date Approved£ 439£ 1,088

AZUREMERE LIMITED

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1991

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The accounts are prepared under the historical cost convention.

1.2 Depreciation on freehold property

In accordance with the Statement of Standard Accounting Practice No. 19, no depreciation is provided on the freehold investment property.

1.3 Cash flow statements

The company has adopted Financial Reporting Standard 1 'Cash Flow Statements'. The Company is exempt from the requirement to prepare a cash flow statement as it is a small company as defined in s247 of the Companies Act 1985.

2. OPERATING PROFIT

This is stated after charging :

Auditors' remuneration

1991
£

1990
£

£ 717

£ 717

3. INTEREST PAYABLE

On bank loan

1991
£

1990
£

£ 21,956

£ 26,320

4. TAXATION

No provision is required since Industrial Buildings Allowance claimed exceeds the profit.

AZUREMERE LIMITED

NOTES TO THE ACCOUNTS -- 31ST DECEMBER 1991 - continued

5. TANGIBLE FIXED ASSETS

	<u>Freehold property</u> £
Cost:	
Balance at 1st January 1991	367,919
Expenditure on renovations and improvements	28,606
	<u>£396,525</u>
At 31st December 1991	
Net book value at 31st December 1991	<u>£396,525</u>
Net book value at 31st December 1990	<u>£367,919</u>

**6. CREDITORS - AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	<u>1991</u> £	<u>1990</u> £
Bank loan	159,633	159,692
Other creditors	234,219	205,422
Accruals	2,234	1,717
	<u>£396,086</u>	<u>£366,831</u>

The bank loan is reviewed annually and is repayable in full on 31st July 1996. It is secured by a fixed charge on the freehold property.

7. SHARE CAPITAL

	<u>Authorised</u> £	<u>Allotted, Issued and fully paid</u> 1991 £	<u>1990</u> £
Ordinary shares of £1 each	<u>£ 1,000</u>	<u>100</u>	<u>2</u>

8. CONTINGENT LIABILITY

The company has a contingent liability in respect of a cross bank guarantee in conjunction with a connected company. This amounted to £30,032 at 31st December 1991 (1990 - £259,236).