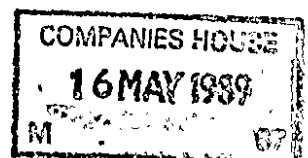


WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

REPORT AND FINANCIAL STATEMENTS

Year ended 30 September 1988

Touche Ross & Co.,  
Kensington House,  
136 Suffolk Street Queensway,  
Birmingham,  
B1 1LL.



WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

DIRECTORS' REPORT

The directors present their Annual Report and the audited financial statements for the year ended 30 September 1988.

1. ACTIVITIES

The company's principal activity is that of providing management services to other group companies.

2. REVIEW OF DEVELOPMENTS

The financial results for the year ended 30 September 1988 are noted on page 3 of the financial statements. The directors do not recommend the payment of a dividend.

With effect from 1 October 1987 all activities of the company were transferred to Windsor Insurance Brokers Limited, a fellow subsidiary, and the company is running off its remaining affairs.

3. DIRECTORS

The directors who served during the year were as follows:

D.R. Baker  
R.N. Cullen  
R.J. Wells

4. DIRECTORS' INTERESTS

None of the directors held any interests in the shares of the company, or its fellow subsidiaries, at the beginning or end of the year. The shares held in this company's ultimate holding company, Windsor PLC, by R.J. Wells and R.N. Cullen are disclosed in that company's annual report. D.R. Baker had options granted to him over 10,000 Windsor PLC shares at 62p per share on 11 November 1987.

5. CLOSE COMPANY STATUS

So far as the directors are aware, the company is not a close company for taxation purposes.

6. AUDITORS

A resolution to re-appoint Touche Ross & Co. will be proposed at the Annual General Meeting.

By Order of the Board

  
Secretary

Touche Ross & Co  
Newington House  
135 Suffolk Street Queensway  
Birmingham B1 1LL  
Telephone National 021 631 2288  
International +44 21 631 2288  
Telex 338370 TRBHAM G  
Telecopier (Gp. 3) 021 631 4512

 **Touche Ross**

Chartered Accountants

AUDITORS' REPORT TO THE MEMBERS

of

WINDSOR PROPERTIES LIMITED

(formerly Lander (Management Services) Limited)

We have audited the financial statements on pages 3 to 9 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 1988 and of its profit and source and application of funds for the year then ended and comply with the Companies Act 1985.

10 May 1989

*Touche Ross & Co*

Chartered Accountants

Aberdeen, Birmingham, Bracknell, Bristol, Cardiff, Chesham, Crawley, Portland,  
Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Milton Keynes,  
Newcastle upon Tyne, Newport, Swansea, and Wolverhampton

Principal place of business at which a list of partners' names is available  
Hill House, 1 Little New Street, London EC4A 3TR

Authorised by the Institute of Chartered Accountants in England and Wales  
to carry on investment business

Touche Ross International

WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

PROFIT AND LOSS ACCOUNT

Year ended 30 September 1988

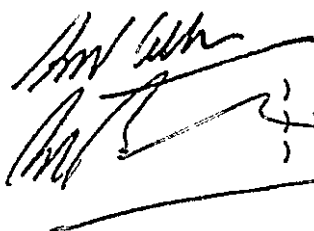
	Note	1988 £	1987 £
Turnover	2	-	620,863
Administrative income/(expenses)		<u>921</u>	<u>(605,727)</u>
Operating profit, being profit on ordinary activities before taxation	3	921	15,136
Taxation on profit on ordinary activities	5	<u>322</u>	<u>3,435</u>
Profit on ordinary activities after taxation being profit for the year		599	11,701
Profit and loss account brought forward		<u>11,701</u>	<u>-</u>
Profit and loss account carried forward		<u>£ 12,300</u>	<u>£ 11,701</u>

WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

BALANCE SHEET - 30 SEPTEMBER 1988

	Note	1988	1987
FIXED ASSETS		£	£
Tangible assets	6	43,771	74,083
CURRENT ASSETS			
Debtors	7	47,374	595,126
Cash at bank and in hand		<u>-</u>	<u>30,302</u>
		47,374	625,428
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>75,695</u>	<u>669,235</u>
NET CURRENT LIABILITIES		(28,321)	(43,807)
TOTAL ASSETS LESS CURRENT LIABILITIES		15,450	30,276
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9	-	15,040
PROVISIONS FOR LIABILITIES AND CHARGES	10	<u>3,050</u>	<u>3,435</u>
		£ 12,400	£ 11,801
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account		<u>12,300</u>	<u>11,701</u>
		£ 12,400	£ 11,801

The financial statements were approved by the Board of Directors on 25.4.89

  
 Directors

WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended 30 September 1988

SOURCE OF FUNDS	1988 £	1987 £
Profit on ordinary activities before taxation	921	15,136
Adjustment for items not involving the movement of funds:		
Depreciation	16,010	8,610
Profit on disposal of fixed assets	<u>-</u>	<u>(542)</u>
Funds generated by operations	16,931	23,204
 FUNDS FROM OTHER SOURCES		
Decrease in debtors	477,811	-
Increase in creditors	-	684,275
Sale of tangible fixed assets	<u>14,302</u>	<u>1,825</u>
	509,044	709,304
 APPLICATION OF FUNDS		
Purchase of tangible fixed assets	-	83,976
Increase in debtors	-	595,026
Decrease in creditors	<u>539,346</u>	<u>-</u>
	539,346	679,002
 (Decrease)/increase in net liquid funds	£ ( 30,302)	£ 30,302

(Net liquid funds comprise cash at bank and in hand)

WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 1988

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared under the historical cost convention.

(b) Fixed assets

The assets are depreciated at the following rates:

Office equipment	25% per annum on written down value
Motor vehicles	25% per annum on written down value
Fixtures and fittings	10% per annum straight line
Computer equipment	20% per annum straight line

(c) Deferred taxation

Deferred taxation is provided at the anticipated tax rate on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

(d) Leasing and hire purchase transactions

Assets obtained under hire purchase contracts and finance leases are capitalised in the balance sheet and are depreciated over their useful lives.

The interest payable is charged to the profit and loss account over the period of the agreements and represents a constant proportion of the balance of capital instalments outstanding.

Rental paid under operating leases is charged to income on a straight line basis over the terms of the leases.

2. TURNOVER

Turnover in 1987 consisted of management charges. No such income was received in 1988.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(a) Profit on ordinary activities before taxation is stated after charging/(crediting):	1988 £	1987 £
Directors' emoluments	-	143,358
Auditors' remuneration	-	10,000
Depreciation	16,010	8,610
Operating lease rentals - plant and machinery	-	12,591
Profit on sale of fixed assets	-	(542)
	<hr/>	<hr/>

WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 1988

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (continued)

(b) Additional information concerning directors' remuneration	1988 £	1987 £
Remuneration of the chairman (1987 - chairmen) and highest paid director (1987 - directors)	-	74,693
Scale of the other directors' remuneration:	No.	No.
£ 0 - £ 5,000	2	1
£ 5,001 - £10,000	-	1
£10,001 - £15,000	-	1
£40,001 - £45,000	-	1

4. EMPLOYEES

Average number of persons employed:

Administration	-	20
Staff costs during the year were:	£	£
Wages and salaries	-	276,859
Social security costs	-	20,411
Other pension costs	-	9,928
	£ -	£ 307,198

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

United Kingdom Corporation Tax at 35%	707	-
Deferred taxation	(385)	3,435
	£ 322	£ 3,435



WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 1988

6. TANGIBLE FIXED ASSETS	Office equipment £	Motor vehicles £	Total £
<b>COST</b>			
At 1 October 1987	39,789	42,607	82,396
Disposals	<u>-</u>	<u>(22,626)</u>	<u>(22,626)</u>
At 30 September 1988	<u>39,789</u>	<u>19,981</u>	<u>59,770</u>
 <b>DEPRECIATION</b>			
At 1 October 1987	1,607	6,706	8,313
Charge for the year	7,035	8,975	16,010
Disposals	<u>-</u>	<u>(8,324)</u>	<u>(8,324)</u>
At 30 September 1988	<u>8,642</u>	<u>7,357</u>	<u>15,999</u>
 <b>NET BOOK VALUE</b>			
At 30 September 1988	<u>£ 31,147</u>	<u>£ 12,624</u>	<u>£ 43,771</u>
At 30 September 1987	<u>£ 38,182</u>	<u>£ 35,901</u>	<u>£ 74,083</u>

The net book value at 30 September 1987 of £74,083 includes an amount of £19,069 in respect of assets held under finance leases. At 30 September 1988 no assets were held under finance leases.

7. DEBTORS	1988 £	1987 £
Amounts owed by group companies	20,952	563,365
Other debtors	<u>26,422</u>	<u>31,761</u>
	<u>£ 47,374</u>	<u>£ 595,126</u>
 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Amounts owed to group companies	74,988	542,176
Taxation	707	-
Other creditors	-	116,774
Leasing obligations (see note 9)	<u>-</u>	<u>10,285</u>
	<u>£ 75,695</u>	<u>£ 669,235</u>

WINDSOR PROPERTIES LIMITED  
(formerly Lander (Management Services) Limited)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 1988

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1988 £	1987 £
These represent the net obligations under finance leases as follows:		
Gross amounts payable:		
Within one year	-	12,449
Within two to five years	-	18,169
Finance charges	-	30,618
	-	5,293
	-	25,325
Included in amounts falling due within one year	-	10,285
	£ -	£ 15,040

10. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation, which is fully provided, is made up as follows:

	£
Capital allowances in advance of depreciation	
At 1 October 1987	3,435
Release for the year	(385)
At 30 September 1988	£ 3,050

11. SHARE CAPITAL

	1988 £	1987 £
Authorised:		
Ordinary shares of £1 each	£ 100	£ 100
Allotted and fully paid:		
Ordinary shares of £1 each	£ 100	£ 100

12. CAPITAL COMMITMENTS

There were no capital commitments, contracted or authorised by the directors, at either balance sheet date.

13. ULTIMATE HOLDING COMPANY

The ultimate holding company is Windsor PLC which is incorporated in England.