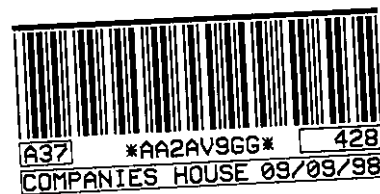


Company Registration No. 2109017

**LADMARSH LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

**1143NM-1997**

**Registered Office**  
27 Hanson Street,  
London W1P 7L2



# LADMARSH LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1997

---

The directors present their report and financial statements for the year ended 31 December 1997.

### Principal Activities and Review of the Business

The principal activity of the company continued to be that of investing in land.

### Results and Dividends

The results for the year are set out on page 3.

It is proposed that the retained profit of £ 23,243 is transferred to reserves.

### Directors

The following directors have held office since the beginning of the year

L R Taylor	(Appointed 1 June 1998)
A M Taylor	(Appointed 1 June 1998)
F M Forrai	(Appointed 20 August 1997 and resigned 1 June 1998)
J Butterfield	(Appointed 20 August 1997 and resigned 1 June 1998)
J.D. Parker	(Appointed 20 August 1997)
M.W. Denton	(Resigned 20 August 1997)

The Directors had no interest in the issued share capital of the company.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

### 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;
- 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.

By order of the Board



J.D. Parker

08 SEP 1998

Date: .....

**MATTHEW EDWARDS & CO**  
CHARTERED ACCOUNTANTS

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ  
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108  
+44 (0) 171 950 9800 +44 (0) 171 437 9509  
E-mail edwards@bentinck.com

**LADMARSH LIMITED**

**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF LADMARSH LIMITED**

---

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**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 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Matthew Edwards & Co*

**Matthew Edwards & Co.**

*8.9.98*

**Chartered Accountants  
Registered Auditor**

Clinch's House, Lord Street  
Douglas  
Isle Of Man  
IM99 1RZ

**LADMARSH LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1997**

	Notes	1997 £	1996 £
Turnover	2	-	20,989
Administrative expenses		(23,611)	(45,359)
<b>Operating profit</b>	<b>3</b>	<b>(23,611)</b>	<b>(24,370)</b>
Other interest receivable and similar income	4	46,854	63,224
Interest payable and similar charges	5	-	(10,396)
<b>Profit on ordinary activities before taxation</b>		<b>23,243</b>	<b>28,458</b>
Tax on profit on ordinary activities	6	-	-
<b>Profit on ordinary activities after taxation</b>	<b>12</b>	<b>23,243</b>	<b>28,458</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**LADMARSH LIMITED**

**BALANCE SHEET  
AS AT 31 DECEMBER 1997**

	Notes	1997 £	£	1996 £	£
<b>Fixed Assets</b>					
Tangible assets	7		234,852		240,376
<b>Current Assets</b>					
Debtors	8	-		815	
Cash at bank and in hand		2,061		9,697	
		<u>2,061</u>		<u>10,512</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(18,292)</u>		<u>(13,287)</u>	
<b>Net Current Liabilities</b>			(16,231)		(2,775)
<b>Total Assets Less Current Liabilities</b>			<u>218,621</u>		<u>237,601</u>
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(403,326)</u>		<u>(445,549)</u>
			<u>(184,705)</u>		<u>(207,948)</u>
<b>Capital and Reserves</b>					
Called up share capital	11		100		100
Profit and loss account	12		(184,805)		(208,048)
<b>Shareholders' Funds - equity interests</b>	13		<u>(184,705)</u>		<u>(207,948)</u>

**08 SEP 1998**

The financial statements were approved by the Board on .....



J.D. Parker  
Director

## LADMARSH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1997

---

#### 1 Accounting Policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

##### 1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% per annum on a straight line basis
-----------------------------	---------------------------------------

##### 1.4 Foreign currency translation

The company's accounting records are maintained in Pounds sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

##### 1.5 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

#### 2 Turnover

<b>3 Operating Profit</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation of tangible assets	5,523	5,523
Auditors' remuneration	650	588
	<u>          </u>	<u>          </u>
 <b>4 Other Interest Receivable and Similar Income</b>	 <b>1997</b>	 <b>1996</b>
	<b>£</b>	<b>£</b>
Profit on Exchange	46,853	63,137
Bank interest	1	87
	<u>          </u>	<u>          </u>
	<u>46,854</u>	<u>63,224</u>

**LADMARSH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 1997**

<b>5</b>	<b>Interest Payable and Similar Charges</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	-	10,396
		<u></u>	<u></u>
<b>6</b>	<b>Taxation</b>		
	Taxation has not been provided due to the losses incurred for the year.		
<b>7</b>	<b>Tangible Fixed Assets</b>		
			<b>Land and buildings Freehold</b>
			<b>£</b>
	<b>Cost</b>		
	At 1 January 1997 & at 31 December 1997		276,171
			<u></u>
	<b>Depreciation</b>		
	At 1 January 1997		35,796
	Charge for the year		5,523
			<u></u>
	At 31 December 1997		41,319
			<u></u>
	<b>Net book value</b>		
	At 31 December 1997		234,852
			<u></u>
	At 31 December 1996		240,376
			<u></u>
<b>8</b>	<b>Debtors</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	Prepayments and accrued income	-	815
		<u></u>	<u></u>
<b>9</b>	<b>Creditors: amounts falling due within one year</b>	<b>1997</b>	<b>1996</b>
		<b>£</b>	<b>£</b>
	Other creditors	15,460	10,378
	Accruals and deferred income	2,832	2,909
		<u></u>	<u></u>
		18,292	13,287
		<u></u>	<u></u>

**LADMARSH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 1997**

<b>10 Creditors: amounts falling due after more than one year</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Other loans	403,326	445,549
	<u>          </u>	<u>          </u>
<b>Analysis of Loans</b>		
Not wholly repayable within five years other than by instalments:		
Other loans	403,326	445,549
	<u>          </u>	<u>          </u>
	403,326	445,549
	<u>          </u>	<u>          </u>
<b>Loan maturity analysis</b>		
In five years or more	403,326	445,549
	<u>          </u>	<u>          </u>

**11 Share Capital**

The authorised share capital of the Company comprises 100 ordinary shares of £1 each all of which have been issued and are fully paid up (1996 - 100)

**12 Statement of Movements on Profit and Loss Account**

	<b>Profit and loss account</b>
	<b>£</b>
Balance at 1 January 1997	(208,048)
Retained profit for the year	23,243
	<u>          </u>
Balance at 31 December 1997	(184,805)
	<u>          </u>

<b>13 Reconciliation of Movements in Shareholders' Funds</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	23,243	28,458
Opening shareholders' funds	(207,948)	(236,406)
	<u>          </u>	<u>          </u>
Closing shareholders' funds	(184,705)	(207,948)
	<u>          </u>	<u>          </u>

**14 Contingent liabilities**

There were no contingent liabilities as at the balance sheet date.

**15 Capital Commitments**

There were no major capital commitments as at the balance sheet date.



**LADMARSH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 1997**

---

**16 Employees**

**Number of employees**

There were no employees during the year apart from the directors

**17 Ultimate Controlling Party and Related Party Transactions**

The directors are not aware of the ultimate controlling party, transactions related thereto and any other related party transactions.