

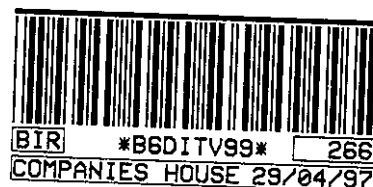
ROMAN RENTALS 109 LIMITED

(formerly Roman Rentals 109 PLC)

FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 1996

Registered Number 2333468



ROMAN RENTALS 109 LIMITED

(formerly Roman Rentals 109 PLC)

DIRECTORS' REPORT

The directors have pleasure in presenting their annual report and audited financial statements for the year ended 30th June 1996.

Principal activities and business review

The Company owns and lets starter home properties on assured and assured shorthold tenancies.

Results and dividends

Details of the results for the year are given in the profit and loss account set out on page 4.

The Company's retained loss for the year which amounted to £553 (1995 loss : £2,627) has been appropriated from reserves. The directors do not propose the payment of a dividend.

The Company re-registered as a private company and changed its name to Roman Rentals 109 Limited on 4th June 1996.

Fixed Assets

The investment in Bromleydown Limited has been valued by the directors on the basis of the open market value of the underlying net assets. Due to the state of the current residential market, this has resulted in a reduction in the carrying value which is reflected in the profit and loss account.

Future developments

On 23rd August 1996 the Company bought back the shares of seven of the shareholders; leaving one shareholder, D L Scott owning 100% of the share capital of the Company (being that investors original shareholding). The company is expected to continue as a managing investment company.

Directors and directors' interests

The directors of the Company who served during the year were as follows:

M R Seabrook	(resigned 24th June 1996)
M J Inscoe	(resigned 24th June 1996)
A J Bruckland	(resigned 24th June 1996)
D L Scott	(appointed 24th June 1996)

ROMAN RENTALS 109 LIMITED

(formerly Roman Rentals 109 PLC)

DIRECTORS' REPORT (continued)

Directors and directors' interests (continued)

The interests of the directors, including family interests, in the shares of the company are as follows:

	Ordinary Shares of 90p 30th June 1996	Ordinary Shares at 90p Date of appointment
D L Scott	8,000	8,000

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 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; and
- prepare the financial statements on a 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board

for  CAPITAL VENTURES PLC

Secretary

**AUDITORS' REPORT TO THE MEMBERS OF
ROMAN RENTALS 109 LIMITED**

We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

As described on page 2, 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 30th June 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1995.

2 Cornwall Street
Birmingham
23rd April 1997

kpmg
KPMG
Chartered Accountants
Registered Auditors

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1996

	Notes	Continuing Operations	
		1996	1995
		£	£
Rental income		0	563
Administrative expenses		(2,826)	(3,311)
		<hr/>	<hr/>
Operating loss		(2,826)	(2,748)
Loss on disposal of investment property		0	(1,263)
Amounts written off investment property		(66)	0
Interest receivable and other income	2	2,359	1,384
		<hr/>	<hr/>
Loss on ordinary activities before taxation	3	(533)	(2,627)
Tax on loss on ordinary activities	4	0	0
		<hr/>	<hr/>
Loss on ordinary activities after taxation being retained loss for the financial year		(533)	(2,627)
Retained loss brought forward		(10,065)	(7,455)
		<hr/>	<hr/>
Retained loss carried forward		(10,598)	(10,065)
		<hr/>	<hr/>

There are no other gains or losses other than those disclosed in the profit and loss account.

Notes of Historical costs profits and losses

	1996	1995
	£	£
Reported loss on ordinary activities before taxation	(533)	(2,627)
Diminution in value of investments	66	0
	<hr/>	<hr/>
Historical cost loss on ordinary activity before taxation	(467)	(2,627)
	<hr/>	<hr/>
Historical cost loss for the year retained after taxation	(467)	(2,627)
	<hr/>	<hr/>

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
BALANCE SHEET AS AT 30TH JUNE 1996

		1996	1995
		£	£
Fixed Assets			
Investments	5	8,735	8,801
Current Assets			
Debtors	6	409	309
Cash at bank and in hand		41,874	42,159
		<hr/>	<hr/>
		42,283	42,468
Creditors : amounts falling due within one year	7	(1,078)	(796)
		<hr/>	<hr/>
Net Current Assets		41,205	41,672
		<hr/>	<hr/>
Total Assets less Current Liabilities		49,940	50,473
Provisions for liabilities and charges	8	(945)	(945)
		<hr/>	<hr/>
Net Assets		48,995	49,528
		<hr/>	<hr/>
Capital and Reserves			
Called up share capital	9	57,602	57,602
Share premium account		1,991	1,991
Profit and loss account		(10,598)	(10,065)
		<hr/>	<hr/>
Equity Shareholders' Funds	10	48,995	49,528
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 23rd April 1997 and were signed on its behalf by :

D L Scott



Director

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 1996

	1996		1995	
	£	£	£	£
Net cash outflow from operating activities (note 1)		(2,644)		(4,567)
Returns on investments and servicing of finance				
Interest received	2,359		1,384	
	<hr/>		<hr/>	
Net cash inflow from returns on investment and servicing of finance		2,359		1,384
Taxation paid		0		(233)
Investing activities				
Proceeds from the disposal of fixed assets		0		42,488
Net cash (outflow)inflow before and after financing		(285)		39,072
		<hr/>		<hr/>
(Decrease)increase in cash and cash equivalents (note 2)		(285)		39,072
		<hr/>		<hr/>

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 1996

1. Reconciliation of operating loss to net cash outflow from operating activities.

	1996	1995
	£	£
Operating loss	(2,826)	(2,748)
Increase in debtors	(100)	(37)
Increase/(decrease) in creditors falling due within one year	282	(1,782)
	<hr/>	<hr/>
	(2,644)	(4,567)
	<hr/>	<hr/>

2. Analysis of changes in cash and cash equivalents during the year

	1996	1995
	£	£
Opening balance - cash at bank	42,159	3,087
Net cash (outflow)/inflow	(285)	39,072
	<hr/>	<hr/>
Balance as at 30th June - cash at bank	41,874	42,159
	<hr/>	<hr/>

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1996

1. Principal accounting policies

The following accounting policies have been applied consistently, in dealing with items which are considered material in relation to the Company's financial statements.

(a) Basis of accounting

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

(b) Rental Income

Rental income is accounted for on a receivable basis.

(c) Investments

Investments are included at the lower of net cost and directors' valuation.

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1996

	1996 £	1995 £
2. Interest receivable and other income		
Bank interest receivable	2,359	1,384
	<hr/>	<hr/>
3. Loss on ordinary activities before taxation		
The loss on ordinary activities before taxation is stated after charging/(crediting) :		
Auditors' remuneration and expenses	253	185
Fees in respect of directors	559	486
Rent collection and introduction fees	(6)	218
Diminution in value of investments	66	0
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Fees paid to KPMG in respect of non-audit services amounted to £110 (1995 : £80)

There were no employees during the year (1995 : Nil)

The fees in respect of directors were paid to their respective firms.

4. Taxation

There is no taxation charge due to tax losses

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1996

5. Investments	£
Cost as at 1st July 1995	8,801
Diminution in value	(66)
	<hr/>
Valuation as at 30th June 1996	8,735
	<hr/>

At 30th June 1996 the Company held the following unlisted investment:

Company	Shareholding (%)	Type of shares
Bromleydown Limited	1.79%	£1 ordinary shares

The investment was valued by the directors on the basis of the open market value of the underlying net assets as at 30th June 1996.

Bromleydown Limited is a property investment company which is registered in England and Wales and operates in the United Kingdom.

6. Debtors

	1996	1995
	£	£
Corporation tax	233	233
Other debtors	63	0
Prepayments and accrued income	113	76
	<hr/>	<hr/>
	409	309
	<hr/>	<hr/>

7. Creditors : amounts falling due within one year

	£	£
Other creditors	25	11
Accruals and deferred income	1,053	785
	<hr/>	<hr/>
	1,078	796
	<hr/>	<hr/>

ROMAN RENTALS 109 LIMITED
(formerly Roman Rentals 109 PLC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1996

8. Provisions for liabilities and charges	£	
Provision for remedial costs:		
Balance as at 1st July 1995 and 30th June 1996		945
		<hr/>
9. Called up share capital		
	1996	1995
	£	£
Authorised:		
100,000 Ordinary shares of 90p each	90,000	90,000
	<hr/>	<hr/>
Allotted, called up and fully paid:		
64,002 Ordinary shares of 90p each	57,602	57,602
	<hr/>	<hr/>
10. Reconciliation of movement in equity shareholders' funds		
	£	£
Shareholders' funds at the beginning of the year	49,528	52,155
Loss for the financial year	(533)	(2,627)
	<hr/>	<hr/>
Shareholders' funds at the end of the year	48,995	49,528
	<hr/>	<hr/>

11. Directors' interests

Mr A J Bruckland is a director of Capital Ventures PLC and also a director of companies which received the sum of £554 plus VAT in respect of Management Services, and £189 plus VAT in respect of Directors' and Company Secretarial Services provided to the company.

12. Post balance sheet event

On 23rd August 1996 Roman Rentals 109 Limited was successful in re-purchasing its own shares leaving Mr D L Scott as the sole shareholder.