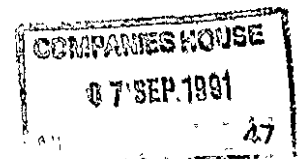


LASER RICHMOUNT LIMITED
FINANCIAL STATEMENTS

FOR THE YEAR

Ended

31 MARCH 1991



Co. Regn. No: 2427411

LASER RICHMOUNT LIMITED

Report of the directors
for the year ended 31 March 1991

1 The directors submit their report together with the audited financial statements of the company for the year to 31 March 1991.

Review of Activities

2 The principal activity of the company is the management of the Laser Richmount Trusts. The company commenced trading on 1 April 1990 and currently manages the Laser Richmount Manchester 1990, Midlands 1990, London 1990, Manchester 1990/91, Manchester No.2 1991, London 1991 and Glasgow 1991 Trusts. On 21 December 1990 the company acquired, for cash consideration of £5,000, the entire share capital of Laser Richmount Marketing Limited incorporated in England and Wales, which trades as a promoter of Enterprise Zone Trusts. On 9 January 1991 the company acquired, for nil consideration, the entire share capital of L R Underwriting Limited which trades as an investment company. The financial position of the group at 31 March 1991 was satisfactory and the directors are optimistic as regards the outlook for the foreseeable future.

IMRO Regulation

3 As the promoter and manager of the Laser Richmount Trusts, the company is a member of IMRO.

Results

4 The results for the year are shown in the consolidated profit and loss account on page 5.

Dividends

5 The directors recommend that no dividend be paid.

Changes in Fixed Assets

6. The movements in fixed assets during the year are set out in note 9.

Directors

7. The directors of the company, who served throughout the year, unless otherwise stated, were as follows:-

Sir Kenneth Cork	- Chairman
C A Fry	
H V A Ellingham	
T D Benjamin	
S A M Corner	
M T Fitzgerald	Appointed 29.01.91

Close Company Provisions

8 The directors are of the opinion that the company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

LASER RICHMOUNT LIMITED

Report of the directors - continued
for the year ended 31 March 1991

Directors' Interests

9 According to the register required to be maintained under section 325 of the Companies Act 1985, the directors have not had any interests in the share capital of the company at any time during the year.

Insurance of Directors

10 The company maintains insurance for the directors in respect of their duties as directors of the company.

Auditors

11 A resolution to reappoint the auditors, Coopers & Lybrand Deloitte, together with a resolution to authorise the directors to fix their remuneration will be proposed at the annual general meeting.

BY ORDER OF THE BOARD



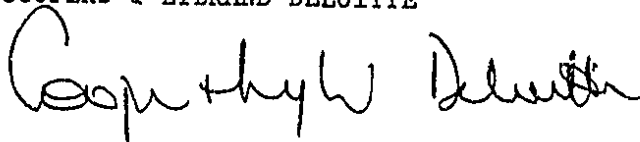
For Johnson Fry Secretaries Limited
Secretary 31 July, 1991

Report of the auditors to the members of
LASER RICHMOUNT LIMITED

We have audited the financial statements set out on pages 5 to 11 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31 March 1991 and of its results and source and application of funds of the group for the year then ended and comply with the Companies Act 1985.

COOPERS & LYBRAND DELOITTE

A handwritten signature in cursive script, appearing to read 'Coopers & Lybrand Deloitte', written in dark ink.

Chartered Accountants
LONDON, 31 July 1991

LASER RICHMOUNT LIMITED

Consolidated Profit and Loss Account
for the year ended 31 March 1991

	<u>Notes</u>	<u>Year ended</u> <u>31 March 1991</u>	<u>28 September 1989</u> <u>to 31 March 1990</u>
		£	£
INCOME			
Fee income	1(c)	75,000	-
Interest receivable and similar income		2,981	195
Interest payable		(487)	-
		<u>77,494</u>	<u>195</u>
EXPENDITURE			
Staff costs and directors' fees 2 & 3		45,000	-
Other expenses	4	33,170	200
		<u>78,170</u>	<u>200</u>
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(676)	(5)
TAXATION ON (LOSS) ON ORDINARY ACTIVITIES	5	-	-
(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	6	(676)	(5)
DEFICIT BROUGHT FORWARD		(5)	-
DEFICIT CARRIED FORWARD		(681)	(5)

The notes on pages 9 to 11 form part of these financial statements
Auditors' report page 4.

LASER RICHMOUNT LIMITED

Consolidated Balance Sheet at 31 March 1991

	Notes	31 March 1991	31 March 1990
		£	£
CURRENT ASSETS			
Debtors	7	8,409	-
Investments	8	439,000	-
Cash At Bank		72,289	15,195
		<u>519,698</u>	<u>15,195</u>
CURRENT LIABILITIES			
CREDITORS - AMOUNT FALLING DUE WITHIN ONE YEAR	10	505,379	200
		<u>14,319</u>	<u>14,995</u>
NET ASSETS			
CAPITAL AND RESERVES			
Share Capital	11	1,000	1,000
Share Premium		14,000	14,000
Profit and Loss Account		(681)	(5)
		<u>14,319</u>	<u>14,995</u>

Approved by the board on 31 July 1991

[Signature]
[Signature]

[Signature]
[Signature]

The notes on pages 9 to 11 form part of these accounts
Auditors' report page 4.

LASER RICHMOUNT LIMITED

Balance Sheet at 31 March 1991

	Notes	31 March 1991	31 March 1990
		£	£
FIXED ASSETS			
Investments	9	5,000	-
CURRENT ASSETS			
Debtors	7	8,409	-
Cash At Bank		67,146	15,195
		<u>75,555</u>	<u>15,195</u>
CURRENT LIABILITIES			
CREDITORS - AMOUNT FALLING DUE WITHIN ONE YEAR	10	65,892	200
NET CURRENT ASSETS		<u>9,663</u>	<u>14,995</u>
NET ASSETS		<u>14,663</u>	<u>14,995</u>
CAPITAL AND RESERVES			
Share Capital	11	1,000	1,000
Share Premium		14,000	14,000
Profit and Loss Account		(337)	(5)
		<u>14,663</u>	<u>14,995</u>

Approved by the board on 31 July 1991

The notes on pages 9 to 11 form part of these accounts
Auditors' report page 4.

LASER RICHMOUNT LIMITED

Consolidated statement of source and application of funds
for the year ended 31 March 1991

	<u>Year Ended</u> <u>31 March 1991</u>	<u>28 September 1989</u> <u>to 31 March 1990</u>
	£	£
SOURCE OF FUNDS		
Funds (absorbed by) generated from operations: (Loss) on ordinary activities before taxation	(676)	(5)
Funds from other sources: Issue of share capital	-	15,000
NET (APPLICATION)/SOURCE OF FUNDS	<u>(676)</u>	<u>14,995</u>
The net (application) source of funds is represented by the following (decrease)/increase in working capital:		
Increase in debtors	8,409	-
Increase in creditors, excluding taxation	(505,179)	(200)
	(496,770)	(200)
Movement in net liquid funds:		
Cash at bank	57,094	15,195
Current asset investments	439,000	-
(DECREASE)/INCREASE IN WORKING CAPITAL	<u>(676)</u>	<u>14,995</u>

The notes on pages 9 to 11 form part of these accounts
Auditors' report page 4.

LASER RICHMOUNT LIMITED

Notes to the financial statements
for the year ended 31 March 1991

1. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important group accounting policies which have been consistently applied is set out below:

(a) Basis of Accounting:

These accounts have been prepared under the historical cost convention.

(b) Basis of Consolidation:

The consolidated financial statements include the company and all of its subsidiary undertakings.

(c) Fee Income:

Fee income is earned at the end of the relevant Trust's distribution period.

2. Staff Costs

There are no employees of the group (1990: Nil). Employees of Richard Ellis Venture Consultants Limited and Johnson Fry Corporate Finance Limited have been seconded to the group. A proportion of the costs of their employment is recharged to the group.

3. Directors' Emoluments

Directors' emoluments paid to the Chairman amounted to £10,000. No pension contributions or benefits in kind were received by the Chairman or any other directors.

4. Auditors' remuneration

The auditors' remuneration for the year amounted to £2,600 (1990: £200).

5. Taxation on Loss on Ordinary Activities

There was no charge to corporation tax in the year (1990: Nil).

Auditors' report page 4

LASER RICHMOUNT LIMITED

Notes to the financial statements
continued for the year ended 31 March 1991

6. Loss on Ordinary Activities After Taxation

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	<u>1991</u> £	<u>1990</u> £
Dealt with the accounts of the holding company	332	5
Retained by Subsidiary Company	344	-
7. <u>Debtors</u>	<u> </u>	<u> </u>
	<u>1991</u> £	<u>1990</u> £
Debtors	410	-
Prepayments	<u>7,999</u>	<u>-</u>
	<u>8,409</u>	<u>-</u>

The debtors balance is identical for both the group and company.

8. Current Asset Investments

Group

Current asset investments, which are stated at cost, relate to units in the Laser Richmount London 1990 Trust, having a market value of £439,000. These units were subsequently sold at their carrying value.

9. Fixed Asset Investments

Company

Investments represent the entire ordinary share capital of Laser Richmount Marketing Limited (ordinary £1 shares) and LR Underwriting Limited (ordinary £1 shares). Both companies are incorporated in England and Wales.

LASER RICHMOUNT LIMITED

Notes to the financial statements - continued
for the year ended 31 March 1991

10. Creditors falling due within one year

These are comprised of the:

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Bank Loan (secured)	439,000	-	-	-
Due to Johnson Fry Corporate Finance Limited	41,600	-	41,600	-
Due to Richard Ellis Venture Consultants Limited	16,400	-	16,400	-
Other Creditors	3,692	-	3,692	-
Accruals	<u>4,687</u>	<u>-</u>	<u>4,200</u>	<u>200</u>
	<u>505,379</u>	<u>-</u>	<u>65,892</u>	<u>200</u>

Creditors include UK Corporation tax of nil (1990:nil).

The bank loan represents the amount owing on the group's facility. Interest is payable at the bank's base rate plus 1 percent. The bank loan is secured by a fixed and floating charge over the assets of LR Underwriting Limited and a guarantee from the developer of the properties owned by the Laser Richmount (London) 1990 Trust.

11. Share Capital

Authorised, issued and fully paid:

	<u>1991</u>	<u>1990</u>
	<u>£</u>	<u>£</u>
500 'A' ordinary shares £1 each	500	500
500 'B' ordinary shares £1 each	500	500
	<u>1,000</u>	<u>1,000</u>

12. Ultimate holding company

The company's shares are held equally by Richmount Enterprise Zone Managers Limited (500 'B' ordinary shares) and Johnson Fry Corporate Finance Limited (500 'A' ordinary shares).

Auditors' report page 4.