

MAGNA COURT MANAGEMENT LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1996

Registered number: 2500158

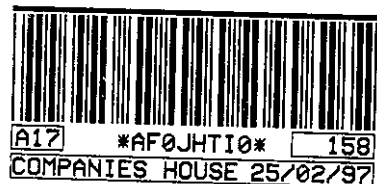
FILER KNAPPER

CHARTERED ACCOUNTANTS

CHRISTCHURCH

DORSET

REGISTRAR
OF COMPANIES



MAGNA COURT MANAGEMENT LIMITED

FINANCIAL STATEMENTS

for the year ended 31 December 1996

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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MAGNA COURT MANAGEMENT LIMITED**COMPANY INFORMATION****31 December 1996**

COMPANY NUMBER	2500158
DIRECTORS	E M V Knapper Esq R A B Grigg Esq
SECRETARY	R A B Grigg Esq
REGISTERED OFFICE	10 Bridge Street Christchurch Dorset BH23 1EF
BANKERS	Lloyds Bank Plc 5 The Square Wimborne Dorset BH21 1JE
AUDITORS	Filer Knapper Chartered Accountants 10 Bridge Street Christchurch Dorset BH23 1EF

MAGNA COURT MANAGEMENT LIMITED

DIRECTORS' REPORT

31 December 1996

The directors present their report and the audited financial statements for the year ended 31 December 1996.

Principal activity

The principal activity of the company continues to be that of management of the property known as Magna Court, Wimborne.

Business review

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £590.

Profit, dividends and appropriations

The results for the year are shown in the profit and loss account on page 5. The directors do not propose payment of an ordinary dividend, the profit for the year is to be transferred to reserves.

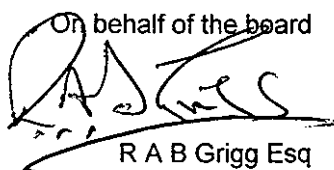
Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31 December 1996 Ordinary shares	1 January 1996 Ordinary shares
E M V Knapper Esq	1	1
R A B Grigg Esq	-	-

Auditors

Filer Knapper have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board

 R A B Grigg Esq
 Secretary

10 Bridge Street
 Christchurch
 Dorset
 BH23 1EF

MAGNA COURT MANAGEMENT LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

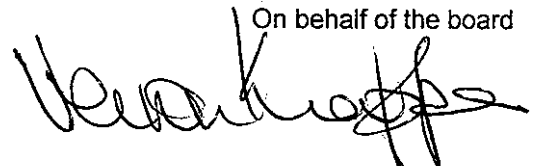
We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

On behalf of the board

A handwritten signature in black ink, appearing to read 'E M V Knapper', written over a horizontal line.

E M V Knapper Esq
Director

MAGNA COURT MANAGEMENT LIMITED**AUDITORS' REPORT****Auditors' report to the members of
Magna Court Management Limited**

We have audited the financial statements on pages 5 to 8 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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 error or other irregularity. 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 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

18 February 1997



Filer Knapper
Registered Auditors
Chartered Accountants

MAGNA COURT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1996

		1996	1995
	Note	£	£
Turnover	2	900	900
Net operating expenses			
Administrative expenses		(521)	(661)
Profit on ordinary activities before taxation		379	239
Taxation	4	-	-
Profit on ordinary activities after taxation retained for the year	9	379	239

Movements in reserves are shown in note 9.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1996 or 1995 other than the profit for the year.

MAGNA COURT MANAGEMENT LIMITED

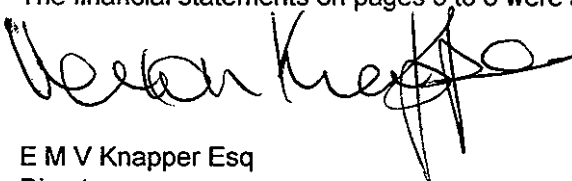
BALANCE SHEET

at 31 December 1996

		1996		1995	
	Note	£	£	£	£
Current assets					
Debtors	5	91		89	
Cash at bank and in hand		822		439	
		<u>913</u>		<u>528</u>	
Creditors: amounts falling due within one year	6	<u>(323)</u>		<u>(317)</u>	
Net current assets			590		211
Total assets less current liabilities			<u>590</u>		<u>211</u>
Capital and reserves					
Called up share capital	8		8		8
Profit and loss account	9		582		203
Total shareholders' funds	7		<u>590</u>		<u>211</u>

The financial statements on pages 5 to 8 were approved by the board of directors on

18/02/97


E M V Knapper Esq
Director

MAGNA COURT MANAGEMENT LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1996

1 Accounting policies**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

Freehold reversion

The company owns the freehold interest in the communal areas under management which were transferred from the developer to the company for no consideration.

2 Turnover

Turnover represents the amount derived from the provision of services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

3 Operating profit

	1996 £	1995 £
Operating profit is stated after charging		
Auditors' remuneration	235	235
	<u>235</u>	<u>235</u>

4 Taxation

The company has no liability for taxation.

5 Debtors

	1996 £	1995 £
Amounts falling due within one year		
Prepayments	91	89
	<u>91</u>	<u>89</u>

MAGNA COURT MANAGEMENT LIMITED

8

NOTES ON FINANCIAL STATEMENTS

31 December 1996

6 Creditors: amounts falling due within one year

	1996 £	1995 £
Accruals	323	317
	<u>323</u>	<u>317</u>

7 Reconciliation of movements in shareholders' funds

	1996 £	1995 £
Profit for the financial year representing a Net addition to shareholders' funds	379	239
Opening shareholders' funds	211	(28)
Closing shareholders' funds	<u>590</u>	<u>211</u>

8 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>

9 Profit and loss account

	1996 £
1 January 1996	203
Retained profit for the year	<u>379</u>
31 December 1996	<u>582</u>