LEVY GEE

GRANTSTATES LIMITED

ABBREVIATED ACCOUNTS

- for the year ended -

31ST MARCH 1995

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GRANTSTATES LIMITED

COMPANY INFORMATION

DIRECTORS

Mr Milton Gross (American)
Mrs Rifka Gross
Mrs Sarah Padwa

JOINT SECRETARIES

Mrs Rifka Gross
Mrs Lily Berger

REGISTERED OFFICE

66 Wigmore Street
London
W1H 0HQ

COMPANY NUMBER

2534737 (England)

AUDITORS

Levy Gee
Chartered Accountants
66 Wigmore Street
London
W1H 0HQ

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GRANTSTATES LIMITED

REPORT OF THE AUDITORS TO THE DIRECTORS

In our opinion, the Directors are entitled under Sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts for Grantstates Limited in respect of the financial year ended 31st March 1995 and the attached abbreviated accounts on pages 4 to 6 have been properly prepared in accordance with Schedule 8, Companies Act 1985.

The full text of our report under Section 236 of the Companies Act 1985 on the Accounts of the Company prepared under Section 226 of the Act for the year ended 31st March 1995 is reproduced below.

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the Accounts on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective Responsibilities of Directors and Auditors

As described on page 3 the Company's Directors are responsible for the preparation of Accounts. It is our responsibility to form an independent opinion, based on our audit, on those Accounts 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 Accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Accounts 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 Accounts 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 Accounts.

Departure from Accounting Standard

The Company's investment property is included in the financial statements on the basis indicated in note 1(c) on accounting policies. This does not comply with the requirements of Statement of Standard Accounting Practice No.19 which requires such properties to be stated at their open market value.

Qualified Opinion Arising from Departure from Accounting Standard

Except for any adjustments that might have been necessary had they complied with the requirements of Statement of Standard Accounting Practice No.19, in our opinion the Accounts give a true and fair view of the state of the Company's affairs at 31st March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

LevyGee

66 Wigmore Street
LONDON W1H 0HQ

LEVY GEE
Registered Auditor
Chartered Accountants

Date 8 July 1996

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GRANTSTATES LIMITED

BALANCE SHEET AT 31ST MARCH 1995

	Note	1995 £	1995 £	1994 £	1994 £
FIXED ASSETS					
Tangible	2		232,121		232,121
CURRENT ASSETS					
Debtors		22,183		8,487	
Cash at Bank and in Hand		23,296		35,768	
		45,479		44,255	
CREDITORS - Amounts Falling Due Within One Year		(20,350)		(17,818)	
NET CURRENT ASSETS			25,129		26,437
TOTAL ASSETS LESS CURRENT LIABILITIES			257,250		258,558
CREDITORS - Amounts Falling Due After One Year	3		(250,000)		(250,000)
			£ 7,250		£ 8,558
EQUITY					
CAPITAL AND RESERVES					
Called Up Share Capital	4		100		100
Profit and Loss Account			7,150		8,458
			£ 7,250		£ 8,558

These Accounts were approved by the Board of Directors on 8 July 1996

The Directors have relied on the exemptions for individual Financial Statements contained in Part III of Schedule 8 to the Companies Act 1985. Under that Act the Company is entitled to benefit from those exemptions as a small company and thus file abbreviated accounts.

MR M GROSS
Director

MRS R GROSS
Director

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NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

a) Accounting Convention

The Accounts are prepared under the Historical Cost Convention.

b) Depreciation

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation or amortisation is provided in respect of freehold investment properties nor on leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the directors consider that this accounting policy results in the financial statements giving a true and fair view.

Leases having an unexpired term of less than twenty years are amortised evenly over the remaining period of the lease.

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c) Investment Properties

Investment properties are included in the balance sheet at historical cost, which is not in accordance with Statement of Standard Accounting Practice No.19.

d) Acquisition and Disposals of Properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

e) Cash Flow Statement

The Company is exempted from the requirement to prepare a cash flow statement (in accordance with Financial Reporting Standard No.1) on the basis of its being a 'small company' as defined by Section 247 Companies Act 1985.

NOTES TO THE ACCOUNTS

2 TANGIBLE FIXED ASSETS

	Freehold £
Investment Property at Cost and Net Book Value	
At 1st April 1994 and at 31st March 1995	£232,121

In accordance with the Company's stated accounting policy (see note 1(b)) no depreciation has been provided in respect of the freehold property which is held for investment purposes.

3 CREDITORS

	1995	1994
Amounts Falling Due After One Year		
Bank Loan repayable after Five Years	£250,000	£250,000

The bank loan is secured by a fixed first legal mortgage over the company's investment property.

4 SHARE CAPITAL

	1995	1994
Authorised		
Equity		
100 Ordinary Shares of £1 each	£ 100	£ 100
Issued, Called Up and Fully Paid		
Equity		
100 Ordinary Shares of £1 each	£ 100	£ 100

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