

ZAMBEZI INVESTMENTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996



CLARK WHITEHILL
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DIRECTORS

Bridget D Lafferty
Guy D Lafferty

COMPANY SECRETARY

Guy D Lafferty

ACCOUNTANTS

Clark Whitehill

REGISTERED OFFICE

60 Sloane Avenue
London
SW3 3DD

ZAMBEZI INVESTMENTS LIMITED
REPORT OF THE DIRECTORS - UNAUDITED
FOR THE YEAR ENDED 30 JUNE 1996

INTRODUCTION

The directors present their report and accounts for the year ended 30 June 1996.

RESULTS FOR THE YEAR

The company made a loss for the year after taxation of £15,157.

No ordinary dividend will be declared.

PRINCIPAL ACTIVITY

The company's principal activity is the provision of office premises and related services for 25 Ives Street London SW3 2ND. The company is the lessor of the premises and recovers its costs from the users of the offices.

DIRECTORS

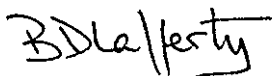
The directors who served during the year and their interests in the share capital of the company were as follows:

	Ordinary shares	
	30 June 1996	30 June 1995
G D Lafferty	1	1
B D Lafferty	1	1

FIXED ASSETS

Details of movements in fixed assets are set out in note 7 to the financial statements.

By Order of the Board


Secretary

ZAMBEZI INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT - UNAUDITED
FOR THE YEAR ENDED 30 JUNE 1996

	Notes	1996 £	1995 £
Turnover	2	50,153	63,954
Administrative expenses	3	<u>(65,855)</u>	<u>(55,895)</u>
OPERATING (LOSS)/PROFIT		(15,702)	8,059
Bank interest receivable		<u>10</u>	<u>365</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(15,692)	8,424
Taxation	5	<u>535</u>	<u>(535)</u>
NET (LOSS)/PROFIT FOR THE YEAR		(15,157)	7,889
Dividends	6	<u>-</u>	<u>-</u>
RETAINED (LOSS)/PROFIT FOR THE YEAR		<u>(15,157)</u>	<u>7,889</u>

The profit and loss account contains all the gains and losses recognised in the current and preceding year, and the (loss withdrawn from reserves)/profit retained in these years represents the only movement in shareholders' funds.

The notes on pages 5 to 7 form part of these financial statements.

ZAMBEZI INVESTMENTS LIMITED

BALANCE SHEET - UNAUDITED

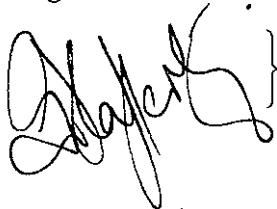
AS AT 30 JUNE 1996

	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible assets	7	<u>7,549</u>	<u>6,374</u>
CURRENT ASSETS			
Debtors	8	47,215	15,985
Lease deposit		12,500	12,500
Cash at bank and in hand		<u>-</u>	<u>4,990</u>
		59,715	33,475
CREDITORS: amounts falling due within one year	9	<u>81,451</u>	<u>38,879</u>
NET CURRENT (LIABILITIES)		<u>(21,736)</u>	<u>(5,404)</u>
NET (LIABILITIES)/ASSETS		<u>(14,187)</u>	<u>970</u>
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account		<u>(14,189)</u>	<u>968</u>
SHAREHOLDERS' FUNDS		<u>(14,187)</u>	<u>970</u>

In the directors opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 30 June 1996. No members who are entitled to have requested an audit.

The directors are responsible for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

Approved by the Board on
and signed on its behalf by:

 } Director

The notes on pages 5 to 7 form part of these financial statements.

ZAMBEZI INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - UNAUDITED
FOR THE YEAR ENDED 30 JUNE 1996

1. ACCOUNTING POLICIES

These financial statements have been prepared on the historical cost basis and in accordance with applicable Accounting Standards.

Tangible assets are depreciated on a straight line basis over the estimated useful economic lives of the relevant assets at the following rates:

Computer equipment, furniture and fittings 25% p.a.

2. TURNOVER

Turnover represents fees earned in the UK for the provision of premises and services related thereto exclusive of VAT.

3. ADMINISTRATIVE EXPENSES

	1996 £	1995 £
Administrative expenses include the following:		
Depreciation	<u>4,357</u>	<u>2,975</u>

4. COSTS OF STAFF AND DIRECTORS

Wages and salaries	16,135	-
Social security costs	<u>1,378</u>	<u>-</u>
	<u>17,513</u>	<u>-</u>

The directors did not receive any remuneration during the year.

5. TAXATION

Based on the loss for the year		
Corporation tax (recoverable)/payable at 25%	(1,107)	535
Taxation underprovided in previous years	<u>572</u>	<u>-</u>
	<u>(535)</u>	<u>535</u>

6. DIVIDENDS

No ordinary dividend is to be declared.

ZAMBEZI INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - UNAUDITED (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 1996

7. FIXED ASSETS

	Furniture and fittings £	Computer equipment £	Total £
Cost			
At 1 July 1995	7,564	4,336	11,900
Additions	<u>3,845</u>	<u>1,687</u>	<u>5,532</u>
At 30 June 1996	<u>11,409</u>	<u>6,023</u>	<u>17,432</u>
Depreciation			
At 1 July 1995	3,596	1,930	5,526
Provision for year	<u>2,852</u>	<u>1,505</u>	<u>4,357</u>
At 30 June 1996	<u>6,448</u>	<u>3,435</u>	<u>9,883</u>
Net book value			
At 30 June 1996	<u>4,961</u>	<u>2,588</u>	<u>7,549</u>
<i>At 30 June 1995</i>	<u>3,968</u>	<u>2,406</u>	<u>6,374</u>

8. DEBTORS

	1996 £	1995 £
Trade debtors	13,522	8,089
Corporation tax recoverable	1,107	-
Other debtors	32,586	-
Prepayments and accrued income	<u>-</u>	<u>7,896</u>
	<u>47,215</u>	<u>15,985</u>

9. CREDITORS: amounts falling due within one year

Bank overdraft	24,113	-
Other creditors	11,138	2,669
Corporation tax	-	535
Loan	25,000	35,000
Accruals and deferred income	<u>21,200</u>	<u>675</u>
	<u>81,451</u>	<u>38,879</u>

ZAMBEZI INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - UNAUDITED (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 1996

10. CALLED UP SHARE CAPITAL

	1996	<i>1995</i>
	£	<i>£</i>
Authorised Ordinary shares of £1 each	<u>1,000</u>	<u><i>1,000</i></u>
Allotted, called up and fully paid: Ordinary shares of £1 each	<u>2</u>	<u><i>2</i></u>

11. SHAREHOLDERS' FUNDS

	Share Capital £	Profit and loss account £	Total £
At 1 July 1994	2	(6,921)	(6,919)
Profit for the year	<u>-</u>	<u>7,889</u>	<u>7,889</u>
At 1 July 1995	2	968	970
Loss for the year	<u>-</u>	<u>(15,157)</u>	<u>(15,157)</u>
At 30 June 1996	<u>2</u>	<u>(14,189)</u>	<u>(14,187)</u>