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SILCOTT PROPERTIES LIMITED

1994 FINANCIAL STATEMENTS

Registered Number 2818584



SILCOTT PROPERTIES LIMITED

Report of the Directors for the period to 31 October 1994

The Directors submit the accounts of the Company for the period to 31 October 1994. It was incorporated 17 May 1993.

Principal activities and business review

The company is a property investment company and has made satisfactory progress in its initial period.

Directors and their interests

The directors in office in the period and their beneficial interests in the company's issued ordinary share capital at 31 October 1994:

P A Jarvis	(appointed 18.2.1994)	0
C D James	(appointed 24.11.1993)	0
	(resigned 18.2.1994)	
M James	(appointed 24.11.1993)	0
	(resigned 24.11.1993)	
P B Carter	(appointed 20.9.1993)	0
	(resigned 24.11.1993)	
J Warner	(appointed 20.9.1993)	0
	(resigned 24.11.1993)	
J C Harris	(appointed 4.6.1993)	0
	(resigned 20.9.1993)	
Nominee Directors Limited	(appointed 17.5.1993)	0
	(resigned 4.6.1993)	

Director's responsibilities

Company law requires the directors to prepare accounts 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 accounts the directors are required to:

Select suitable accounting policies and then apply them consistently.
Make judgements and estimates that are reasonable and prudent;
Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
Prepare the accounts on the 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

The auditor Mr M Cohen will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 13 June 1995 and signed on their behalf.

By order of the board



Secretary

SILCOTT PROPERTIES LIMITED

Balance Sheet as at 31 October 1994

	Note	£	£	1,994
Fixed assets				
Tangible fixed assets	4.		396,434	
Current assets				
Sundry debtors	5.	82,845		
Cash balances		10,996		
		<u>93,841</u>		
Current liabilities				
Amounts payable within one year	7.	422,532		
Net current liabilities			(328,691)	
Total assets less current liabilities			<u>67,743</u>	
Deferred taxation	3.		(55,420)	
Net assets			<u>12,323</u>	
Shareholders funds			<u>12,323</u>	
Issued shares	9.		100	
Capital reserves	10.		166,266	
Revenue reserves			(154,043)	
Total shareholders funds	8.		<u>12,323</u>	

In the preparation of these accounts the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985.

These accounts were approved at a meeting of the Board of Directors on 13 June 1995.

..... Director

SILCOTT PROPERTIES LIMITED

PROFIT & LOSS ACCOUNT

Period to 31 October 1994

	1994	
	Note	£
Turnover	1.	26,106
Net operating expenses		173,867
Operating loss		<hr/> (147,761)
Interest payable and similar charges		6,325
Interest (receivable)		(43)
Loss on ordinary activities before taxation	2.	<hr/> (154,043)
Taxation	3.	55,420
Loss on ordinary activities after taxation		<hr/> (209,463)
Revaluation of property	4.	(221,686)
Retained profit for the period		<hr/> 12,223 <hr/> <hr/>

The only recognised Profit for the period is that shown above.

SILCOTT PROPERTIES LIMITED

ACCOUNTING POLICIES

Period to 31 October 1994

Accounting convention

Subject only to the revaluation of the company's freehold property the accounts are prepared under the historical cost convention which takes no account of the effects of inflation.

Depreciation

Depreciation is provided on tangible fixed assets as follows so as to write them off over their useful lives.

Freehold property	2% on cost
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Turnover

Turnover relates to rents receivable

Cash flow statement

The company meets the small company criteria as set out in the Companies Act 1985 and has taken advantage of the exemptions available in sections 246 to 249 of that Act and has therefore not produced a cash flow statement.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accountancy purposes.

SILCOTT PROPERTIES LIMITED

Notes forming part of the financial statements period to 31 October 1994

1. Turnover and attributable pretax profits.

These are wholly attributable to the company's main activities carried on exclusively in the United Kingdom.

2. Profit (loss) on ordinary activities before tax.

This is stated after charging the following:

	1,994
£	
Directors' emoluments	0
Auditor's remuneration	2,100
Depreciation	3,566

The company had no employees during the period.

3. Taxation

	1,994
£	
Deferred taxation based on revaluation of property	55,240

4. Tangible assets

Freehold

	£
Cost in period	178,314
Depreciation	
Provided in year	3,566
Cost less depreciation	174,748
Revaluation	221,686
Net book value 31.10.1994	396,434

The director has revalued the property as at 31 October 1993 as in his opinion the property had a value of £400,000 at that date.

5. Debtors

	1,994
£	
Amounts receivable within one year	
Other debtors	82,845

SILCOTT PROPERTIES LIMITED

Notes forming part of the financial statements period to 31 October 1994 (cont)

6. Creditors

	1,994
	£
Amount due to holding Company	372,087
Trade & other creditors	44,053
Taxation	6,392
	<hr/> 422,532 <hr/>

7. Shareholders funds

	1,994
	£
Profit for the period	12,223
Shares issued in period	100
Closing shareholders funds	<hr/> 12,323 <hr/>

8. Share capital

	1,994
	£
Authorised ordinary shares of £1 each	1,000
Allotted and fully paid	
Ordinary shares of £1 each	<hr/> 100 <hr/>

9. Capital reserve

	1,994
	£
Revaluation of property	221,686
Deferred taxation thereon	(55,420)
	<hr/> 166,266 <hr/>

10. Contingent liabilities & capital commitments

During the period the company claimed a Local Government grant in respect of certain costs of redecorations to the freehold. Should the company sell the freehold or grant a long lease on it within five years of it being approved the grant would have to be repaid in full. The sum involved is £72,895. There were no capital commitments at 31 October 1994.

11. Holding company

The ultimate holding company is Tuscan Properties Limited, a company incorporated in the British Virgin Islands.

AUDITOR'S REPORT TO THE SHAREHOLDERS OF

SILCOTT PROPERTIES LIMITED

I have audited the accounts on pages 2 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described on page 1 the company's directors are responsible for the preparation of accounts. It is my responsibility to form an independent opinion based on my audit on those accounts and to report my opinion to you.

BASIS OF OPINION

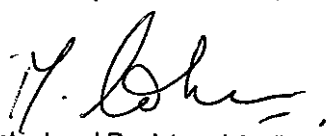
I have conducted my audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements of the 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.

I have planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I have also evaluated the overall adequacy of the presentation of the information in the accounts.

OPINION

In my opinion the accounts give a true and fair view of the state of the company's affairs as at 31 October 1994 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

M Cohen


Chartered Accountant and Registered Auditor

Great Oaks House
Puttenden Road
Shipbourne Kent
TN11 9RX

13 June 1995