

REGISTERED NUMBER: 02829451

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

FOR

ABTRUST ACCUMULATOR PLC



ABTRUST ACCUMULATOR PLC

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FOR THE YEAR ENDED 30 SEPTEMBER 1995**

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ABTRUST ACCUMULATOR PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

DIRECTORS: E K Ford
J G Wright
A A Laing
D S Robinson

SECRETARY: E McDaid

REGISTERED OFFICE: Hobson House
155 Gower Street
London
WC1E 6BJ

REGISTERED NUMBER: 02829451

AUDITORS: Casson Beckman
Chartered Accountants
& Registered Auditor
Hobson House
155 Gower Street
London
WC1E 6BJ

ABTRUST ACCUMULATOR PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 SEPTEMBER 1995

The directors present their report with the financial statements of the company for the year ended 30 September 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property investment.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The company operates within a clearly identified property sector. The company's policy is to enhance its value by developing and retaining residential units for letting under assured tenancies in accordance with the Business Expansion Scheme regulations.

DIVIDENDS AND TRANSFERS TO RESERVES

No dividends will be distributed for the year ended 30 September 1995. The deficit transferred to reserves will be £33,945.

FIXED ASSETS

The investment property was revalued at 30 September 1995. The valuation of £2,692,000 which was £214,336 higher than the former net book value, has been incorporated in the accounts.

DIRECTORS

The directors during the year under review were:

E K Ford
J G Wright
A A Laing
D S Robinson - appointed 10.4.95

The beneficial interests of the directors holding office on 30 September 1995 in the issued share capital of the company were as follows:

	30.9.95	1.10.94 or date of appointment if later
Ordinary 50p shares		
E K Ford	2	2
J G Wright	-	-
A A Laing	40,000	40,000
D S Robinson	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements 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 financial statements 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.


ABTRUST ACCUMULATOR PLC

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

AUDITORS

The auditors, Casson Beckman, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

Secretary 

E McDaid

Dated: 13th May 1996

ABTRUST ACCUMULATOR PLC

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF ABTRUST ACCUMULATOR PLC

We have audited the financial statements on pages five to fifteen which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on page eleven.

Respective responsibilities of directors and auditors

As described on page two 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.

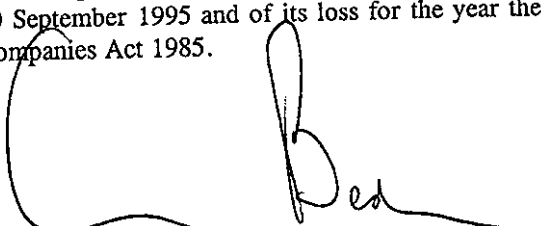
Basis of opinion

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 judgments 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 other irregularity or error. 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 30 September 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Casson Beckman
Chartered Accountants
& Registered Auditor
Hobson House
155 Gower Street
London
WC1E 6BJ

Dated: 13th May 1996

ABTRUST ACCUMULATOR PLC

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

		<u>30.9.95</u>		<u>30.9.94</u>	
	Notes	£	£	£	£
TURNOVER	2		45,902		-
Cost of sales			<u>60,886</u>		<u>29,457</u>
GROSS LOSS			(14,984)		(29,457)
Administrative expenses			<u>21,211</u>		<u>17,478</u>
OPERATING LOSS	4		(36,195)		(46,935)
Interest receivable and similar income	5		<u>2,250</u>		<u>1,829</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(33,945)		(45,106)
Tax on loss on ordinary activities	6		<u>-</u>		<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			(33,945)		(45,106)
Deficit brought forward:					
As previously reported		(10,118)		-	
Prior year adjustments	7	<u>(34,988)</u>		<u>-</u>	
As restated			<u>(45,106)</u>		<u>-</u>
DEFICIT CARRIED FORWARD			<u>£(79,051)</u>		<u>£(45,106)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

ABTRUST ACCUMULATOR PLC

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

	<u>30.9.95</u>	<u>30.9.94</u>
	£	£
LOSS FOR THE FINANCIAL YEAR	(33,945)	(45,106)
Unrealised surplus on revaluation of investment property	<u>161,836</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	127,891	(45,106)
Prior year adjustment	Note 7 <u>(34,988)</u>	<u>-</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u><u>£92,903</u></u>	<u><u>£(45,106)</u></u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

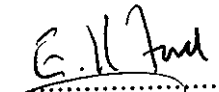
The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

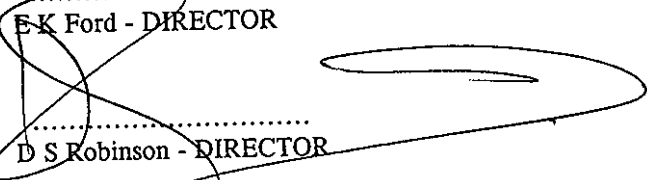
ABTRUST ACCUMULATOR PLC

BALANCE SHEET 30 SEPTEMBER 1995

		30.9.95		30.9.94	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		2,692,000		2,477,664
CURRENT ASSETS:					
Debtors	9	30,548		2	
Cash at bank		786		56,772	
		<u>31,334</u>		<u>56,774</u>	
CREDITORS: Amounts falling due within one year	10	<u>47,605</u>		<u>39,100</u>	
NET CURRENT (LIABILITIES)/ASSETS:			<u>(16,271)</u>		<u>17,674</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,675,729		2,495,338
PROVISIONS FOR LIABILITIES AND CHARGES:	11		<u>52,500</u>		<u>-</u>
			<u>£2,623,229</u>		<u>£2,495,338</u>
CAPITAL AND RESERVES:					
Called up share capital	12		1,337,077		1,337,077
Share premium	13		1,203,367		1,203,367
Revaluation reserve	14		161,836		-
Profit & loss account			<u>(79,051)</u>		<u>(45,106)</u>
Shareholders' funds	15		<u>£2,623,229</u>		<u>£2,495,338</u>

ON BEHALF OF THE BOARD:


E.K. Ford - DIRECTOR


D.S. Robinson - DIRECTOR

Approved by the Board on ...13th May 1996...

The notes form part of these financial statements

ABTRUST ACCUMULATOR PLC

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

	<u>30.9.95</u>		<u>30.9.94</u>	
	£	£	£	£
Net cash outflow from operating activities		(58,236)		(7,837)
Returns on investments and servicing of finance				
Interest received	<u>2,250</u>		<u>1,829</u>	
Net cash inflow from returns on investments and servicing of finance		2,250		1,829
Investing activities				
Purchase of tangible fixed assets	<u>-</u>		<u>(2,477,664)</u>	
Net cash outflow from investing activities		<u>-</u>		<u>(2,477,664)</u>
Net cash outflow before financing		(55,986)		(2,483,672)
Financing				
Cash from shares issued	-		2,674,152	
Share issue costs	<u>-</u>		<u>(133,708)</u>	
Net cash inflow from financing		<u>-</u>		<u>2,540,444</u>
(Decrease)/Increase in cash and cash equivalents		<u>£(55,986)</u>		<u>£56,772</u>

The notes form part of these financial statements

ABTRUST ACCUMULATOR PLC

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 1995

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	30.9.95 £	30.9.94 £
Operating loss	(36,195)	(46,935)
Increase in debtors	(30,546)	(2)
Increase in creditors	<u>8,505</u>	<u>39,100</u>
Net cash outflow from operating activities	<u>(58,236)</u>	<u>(7,837)</u>

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR/PERIOD

Year ended 30 September 1995

	£
Balance at 1 October 1994	56,772
Net cash outflow	<u>(55,986)</u>
Balance at 30 September 1995	<u>786</u>

Period ended 30 September 1994

	£
Net cash inflow	<u>56,772</u>
Balance at 30 September 1994	<u>56,772</u>

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

Year ended 30 September 1995

	30.9.95 £	1.10.94 £	Change in year £
Cash at bank and in hand	<u>786</u>	<u>56,772</u>	<u>(55,986)</u>

Period ended 30 September 1994

	30.9.94 £	17.6.93 £
Cash at bank and in hand	<u>56,772</u>	<u>-</u>

4. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR/PERIOD

There were no changes in financing during the year ended 30 September 1995.

The notes form part of these financial statements

ABTRUST ACCUMULATOR PLC

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 1995

Period ended 30 September 1994

	30.9.94
	£
Cash from share issues	<u>2,674,152</u>
Balance at 30 September 1994	<u><u>2,674,152</u></u>

The notes form part of these financial statements

ABTRUST ACCUMULATOR PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets. The accounts are prepared in accordance with applicable accounting standards. The true and fair view override provisions of the Companies Act 1985 have been invoked, see 'Investment Properties' accounting policy below.

Turnover

Turnover represents rental income receivable.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Investment properties - not provided

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Investment Properties

In accordance with Statement of Standard Accounting Practice No.19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of investment properties.

This is a departure from the requirements of the Companies Act 1985, which requires all properties to be depreciated.

Such properties are not held for consumption but for investment and the directors consider that to depreciate them would not give a true and fair view.

Depreciation is only one amongst many factors reflected in the annual valuation of properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified. The directors consider that this policy results in the accounts giving a true and fair view.

2. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

3. STAFF COSTS

	30.9.95	30.9.94
	£	£
Wages and salaries	<u>6,361</u>	<u>2,674</u>

The average weekly number of employees during the year was as follows:

	30.9.95	30.9.94
Directors	<u>4</u>	<u>4</u>

ABTRUST ACCUMULATOR PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

4. OPERATING LOSS

The operating loss is stated after charging:

	30.9.95	30.9.94
	£	£
Auditors' remuneration	<u>3,173</u>	<u>2,938</u>
Directors' emoluments	<u>6,361</u>	<u>2,674</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.9.95	30.9.94
	£	£
Bank interest received	<u>2,250</u>	<u>1,829</u>

6. TAXATION

No liability to UK Corporation tax arose on ordinary activities for the year ended 30 September 1995 nor for the period ended 30 September 1994.

Deferred tax arising on the revaluation of investment property has been set against the revaluation reserve in accordance with the prescribed treatment in Statement of Standard Accounting Practice No.15, Accounting for Deferred Tax.

7. PRIOR YEAR ADJUSTMENTS

As stated in the offer document an annual fee of 1.25% of the amount subscribed, property administration fees and company secretarial fees are payable annually to Nordham Developments Limited. These fees were not incorporated in the accounts to 30 September 1994 as the development was not complete at that time and were only raised in June 1995 when the development was completed. The directors believe that it is not appropriate to show these fees in the current year and therefore incorporate a prior year adjustment for fees which were due to 30 September 1994. There is no change to the overall figures at 30 September 1995.

ABTRUST ACCUMULATOR PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

8. TANGIBLE FIXED ASSETS

	Property under construc- tion	Investme- nt properti- es	Totals
	£	£	£
COST OR VALUATION:			
At 1 October 1994	2,477,664	-	2,477,664
Property under construction completed during the year and transferred to Investment Properties	(2,477,664)	2,477,664	-
Surplus on revaluation	-	214,336	214,336
At 30 September 1995	-	2,692,000	2,692,000
NET BOOK VALUE:			
At 30 September 1995	-	2,692,000	2,692,000
At 30 September 1994	2,477,664	-	2,477,664

The investment property was valued at 30 September 1995 by David Gilchrist & Co., Chartered Surveyors. David Gilchrist & Co. have confirmed that these valuations are considered fair and representative of an open market value assuming vacant possession at 30 September 1995.

The net book value of investment properties determined under the historical cost convention is £2,477,664.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.95 £	30.9.94 £
Prepayments	30,546	-
Share capital unpaid	2	2
	<u>30,548</u>	<u>2</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.95 £	30.9.94 £
Trade creditors	1,175	-
Accrued expenses	46,430	39,100
	<u>47,605</u>	<u>39,100</u>

ABTRUST ACCUMULATOR PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

11. PROVISIONS FOR LIABILITIES AND CHARGES

	30.9.95 £	30.9.94 £
Deferred taxation	<u>52,500</u>	<u>-</u>

	Deferred taxation £
Deferred tax arising on revaluation of investment property (see Note 10)	<u>52,500</u>
Balance at 30 September 1995	<u>52,500</u>

12. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	30.9.95 £	30.9.94 £
10,000,000	Ordinary	50p	<u>5,000,000</u>	<u>5,000,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	30.9.95 £	30.9.94 £
2,674,154	Ordinary	50p	<u>1,337,077</u>	<u>1,337,077</u>

13. SHARE PREMIUM ACCOUNT

	30.9.95 £	30.9.94 £
Brought forward	1,203,367	-
Premium on shares issued	-	1,337,075
Share issue costs	-	(133,708)
	<u>1,203,367</u>	<u>1,203,367</u>

14. REVALUATION RESERVE

	30.9.95 £	30.9.94 £
Surplus on revaluation of investment property	214,336	-
Deferred tax arising on revaluation of investment property	<u>(52,500)</u>	<u>-</u>
	<u>161,836</u>	<u>-</u>

ABTRUST ACCUMULATOR PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1995

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.9.95	30.9.94
	£	£
Loss for the financial year	(33,945)	(45,106)
Other recognised gains and losses relating to the year (net)	161,836	-
Share capital issued	-	1,337,077
Premium on shares issued	-	1,337,075
Share issue costs	-	(133,708)
NET ADDITION TO SHAREHOLDERS' FUNDS	127,891	2,495,338
Opening shareholders' funds (originally £2,530,326 before prior year adjustment of £34,988)	<u>2,495,338</u>	<u>-</u>
CLOSING SHAREHOLDERS' FUNDS	<u>2,623,229</u>	<u>2,495,338</u>
Equity interests	<u>2,623,229</u>	<u>2,495,338</u>

16. RELATED PARTY TRANSACTIONS

J G Wright and D S Robinson, directors of the company, are also directors of Nordham Developments Limited.

Included in cost of sales are property management fees of £44,469 (1994 - £29,457) paid to Nordham Developments Limited for the provision of property management services.

Included in overhead expenditure are company secretarial fees of £5,581 (1994 - £3,525) paid to Nordham Developments Limited for the provision of company secretarial services.

In addition, Nordham Developments Limited acquired 10,000 Ordinary shares of 50p each from an existing shareholder during the year.

ABTRUST ACCUMULATOR PLC

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

	30.9.95		30.9.94	
	£	£	£	£
Income:				
Rental income		45,902		-
Cost of sales:				
Property management fees	58,707		29,457	
Property maintenance	2,179		-	
	<u> </u>	60,886	<u> </u>	29,457
GROSS LOSS		(14,984)		(29,457)
Other income:				
Bank interest received		2,250		1,829
		<u> </u>		<u> </u>
		(12,734)		(27,628)
Expenditure:				
Directors' remuneration	6,361		2,674	
Stationery & advertising	498		1,460	
Travel expenses	543		-	
Insurance	1,110		100	
Sundry expenses	20		31	
Auditors remuneration	3,173		2,938	
Accountancy	3,466		1,175	
Company secretarial fees	5,581		3,525	
Legal & professional fees	454		5,571	
	<u> </u>	21,206	<u> </u>	17,474
		<u> </u>		<u> </u>
		(33,940)		(45,102)
Finance costs:				
Bank charges		5		4
		<u> </u>		<u> </u>
NET LOSS		<u>£(33,945)</u>		<u>£(45,106)</u>