

Company Registered No: 2902264

WESTVIEW INVESTMENTS LIMITED

FINANCIAL STATEMENTS

31ST JULY 1996



Saffery Champness
CHARTERED ACCOUNTANTS

WESTVIEW INVESTMENTS LIMITED

COMPANY INFORMATION

DIRECTORS

R F M Adair
N J C Turnbull

SECRETARY

T Walsh

REGISTERED OFFICE

1 Portland Place
London W1N 3AA

REGISTERED AUDITORS

Saffery Champness
Chartered Accountants
Fairfax House
Fulwood Place
Gray's Inn
London WC1V 6UB

WESTVIEW INVESTMENTS LIMITED**REPORT OF THE DIRECTORS**

The Directors submit their report and the financial statements for the sixteen month period ended 31st July 1996.

RESULTS

The profit and loss account shows a loss after taxation of £2,018. The Directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is investment holding company. The Directors do not currently envisage any major changes in the activities of the company.

CHANGE OF ACCOUNTING REFERENCE DATE

During the period the accounting reference date of the company was changed from 31st March to 31st July. Consequently, those financial statements are for a sixteen month period to 31st July 1996.

CHANGE OF NAME

The company was formally known as Terrace Hill Leasing Limited. On 5th February 1996, the company's name was changed to Westview Investments Limited.

DIRECTORS AND THEIR INTERESTS

The Directors who served during the period together with their interests in the share capital at 31st July, 1996 and 31st March, 1995 were as follows:

Ordinary Shares of £1 each

R F M Adair	(resigned 13th December 1995 and appointed 11th July 1996)	-
N J C Turnbull	(appointed 13th December 1995)	-
D Prowse	(resigned 11th July 1996)	-
M J Chicken	(resigned 1st January 1996)	-
London Law Services Limited	(resigned 1st February 1996)	-

R F M Adair has an interest in the share capital of the company by virtue of his interest in the share capital of Westview Group Limited, the parent company.

WESTVIEW INVESTMENTS LIMITED

REPORT OF THE DIRECTORS (continued)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE FINANCIAL STATEMENTS**

Company law requires the Directors to prepare financial statements for each financial period 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 these financial statements, the Directors are required to:

Select suitable accounting policies and apply them consistently;

Make judgements and estimates that are reasonable and prudent;

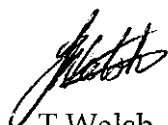
Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

REGISTERED AUDITORS

Saffery Champness, Chartered Accountants, were appointed during the period to fill the vacancy created by the company being a dormant company in the previous period, and have indicated their willingness to continue in office. A resolution to re-appoint them will be put to the members at the Annual General Meeting.

On behalf of the Board



T Walsh
Secretary

Date: 18th February 1997

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
WESTVIEW INVESTMENTS LIMITED

We have audited the financial statements on pages 5 to 11.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the Company's Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

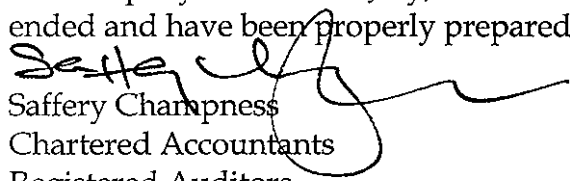
BASIS OF OPINION

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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 31st July, 1996 and of the loss of the company for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Saffery Champness
Chartered Accountants
Registered Auditors
Fairfax House
Fulwood Place
Gray's Inn
London WC1V 6UB

Date: 20th February 1997

WESTVIEW INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****for the sixteen month period ended 31st July, 1996**

		<u>16 months to</u> <u>31st July</u> <u>1996</u> <u>£</u>	<u>13 months to</u> <u>31st March</u> <u>1995</u> <u>£</u>
	<u>Note</u>		
Administrative expenses		(2,018)	-
LOSS ON ORDINARY ACTIVITIES			
BEFORE TAXATION	2	(2,018)	-
Taxation	3	-	-
RETAINED LOSS FOR THE PERIOD	9	<u>£(2,018)</u>	<u>-</u>

The company has no recognised gains or losses other than those stated in the Profit and Loss Account.

All the activities of the company during the period are continuing activities.

The accompanying notes form an integral part of this Profit and Loss Account.

WESTVIEW INVESTMENTS LIMITED**BALANCE SHEET**
at 31st July, 1996

	<u>Note</u>	<u>31st July</u> <u>1996</u> <u>£</u>	<u>31st March</u> <u>1995</u> <u>£</u>
FIXED ASSETS			
Investments	4	2,300,000	-
CURRENT ASSETS			
Debtors	5	1,047,729	2
CREDITORS			
Amounts falling due within one year	6	(2,106,413)	-
NET CURRENT ASSETS			
		(1,058,684)	-
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
		1,241,316	2
Amounts falling due after one year	7	(1,243,234)	-
NET (LIABILITIES) ASSETS			
		<u>£(1,918)</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	2
Profit and loss account	9	(2,018)	-
EQUITY SHAREHOLDERS' FUNDS			
		<u>£(1,918)</u>	<u>2</u>

Approved by the Board on: 18th February 1997

*Robert Fm Adair*R F M Adair
Director

The accompanying notes form an integral part of this Balance Sheet.

WESTVIEW INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the sixteen month period ended 31st July, 1996

1 ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

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

The directors consider the going concern concept to be appropriate due to the continued support by the parent company.

The financial statements present information about the company as an individual undertaking and not about its group. The company is exempt from preparing group accounts under Section 228 of the Companies Act 1985, as it is a subsidiary of Westview Group Limited which is incorporated in England.

b) CASH FLOW STATEMENT

The company is exempt from the requirement of Financial Reporting Standard No. 1 to prepare a cash flow statement as it is a wholly owned subsidiary.

c) INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Investments in subsidiary undertakings are stated at cost, less any provision for a permanent diminution in value.

WESTVIEW INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
for the sixteen month period ended 31st July, 1996

2	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>16 months to</u> <u>31st July</u> <u>1996</u> <u>£</u>	<u>13 months to</u> <u>31st March</u> <u>1995</u> <u>£</u>
	Loss on ordinary activities before taxation is stated after charging:-		
	Auditors' remuneration	£2,000	£-

No Director received any emoluments in respect of their services to the company (1995: £Nil). No other persons were employed by the company during the period (1995: None).

3 TAXATION

There is no charge to corporation tax as the company has incurred losses during the period (1995: £Nil).

4	INVESTMENTS	<u>31st July</u> <u>1996</u> <u>£</u>	<u>31st March</u> <u>1995</u> <u>£</u>
	Balance brought forward	-	-
	Additions	2,300,000	-
	Balance carried forward	£2,300,000	£-

On 22nd November 1995, the company acquired the entire share capital of Terrace Hill Limited, a company registered in England and Wales and whose principal activity is an investment holding company.

5	DEBTORS	<u>31st July</u> <u>1996</u> <u>£</u>	<u>31st March</u> <u>1995</u> <u>£</u>
	Due within one year:		
	Called up share capital not paid	100	2
	Due after one year:		
	Amounts due from subsidiary undertaking	1,047,629	-
		£1,047,729	£2

WESTVIEW INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
for the sixteen month period ended 31st July, 1996

6	CREDITORS	<u>31st July</u> <u>1996</u> £	<u>31st March</u> <u>1995</u> £
	Amounts falling due within one year:-		
	Amounts due to parent undertakings	2,104,413	-
	Accruals	2,000	-
		<u>£2,106,413</u>	<u>£-</u>

7	CREDITORS	<u>31st July</u> <u>1996</u> £	<u>31st March</u> <u>1995</u> £
	Amounts falling due after more than one year:-		
	Other loans	<u>£1,243,234</u>	<u>£-</u>

The other loans consist of loans from C M Adair and M B Adair, who have an interest in the shareholding of the company. The loans are unsecured and non interest bearing.

8	SHARE CAPITAL	<u>31st July</u> <u>1996</u> £	<u>31st March</u> <u>1995</u> £
	Authorised		
	1,000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
	Allotted, called-up and fully paid		
	100 Ordinary shares of £1 each	<u>£100</u>	<u>£2</u>

9	PROFIT AND LOSS ACCOUNT	<u>31st July</u> <u>1996</u> £	<u>31st March</u> <u>1995</u> £
	Balance brought forward	-	-
	Loss for the period	(2,018)	-
	Balance carried forward	<u>£(2,018)</u>	<u>£-</u>

WESTVIEW INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
for the sixteen month period ended 31st July, 1996

10	MOVEMENTS IN SHAREHOLDERS' FUNDS	<u>31st July</u> <u>1996</u> <u>£</u>	<u>31st March</u> <u>1995</u> <u>£</u>
	Loss for the period	(2,018)	-
	New share capital subscribed	98	2
	Opening shareholders' funds	2	-
		<hr/>	<hr/>
	Closing shareholders' funds	<u>£(1,918)</u>	<u>£2</u>

11 GUARANTEES AND FINANCIAL COMMITMENTS

There were no guarantees or financial commitments authorised or contracted for the period end (1995: £Nil).

12 PARENT COMPANY

The parent company is Westview Group Limited which is registered in England and Wales.