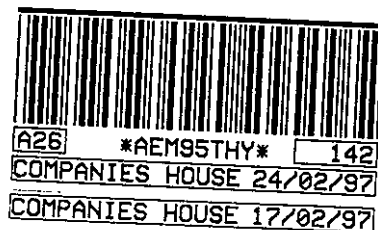


COMPANY NUMBER 3056227

LANDLEAF LIMITED
DIRECTORS' REPORT AND ANNUAL ACCOUNTS
FOR THE PERIOD COMMENCING
15 MAY 1995 TO 31 JULY 1996

Index

1. Director's Report
2. Profit and Loss Account
3. Statement of Total Recognised Gains and Losses
4. Balance Sheet
5. Notes on the Accounts



LANDLEAF LIMITED**DIRECTOR'S REPORT**

The Director presents the Annual Accounts for the period commencing 15 May 1995 to 31 July 1996 and reports thereon:-

Incorporation

The company was incorporated on 15 May 1995 and commenced trading on 1 June 1995.

Director

The Director who served during the period, and his respective family interests in the shares of the Company at the period end were as follows:-

31.07.96

P H Straker

NIL

The Director has not been granted a right to subscribe for additional shares or debentures.

In accordance with the Articles of Association of the Company none of the Directors are required to retire by rotation.

Principal Activities

The principal activities of the Company are property owning and management.

There has not been any significant change in this activity during the period.

Donations

Political and charitable donations did not exceed £200 in the period.

Small Company Exemptions

This report has been prepared taking advantage of the exemptions provided by Part II of Schedule 8 of the Companies Act 1985.

By order of the Board

Mrs C J Straker

.....
Secretary



11 February 1997

LANDLEAF LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 JULY 1996

	<u>Notes</u>	<u>15.05.95</u> <u>to 31.07.96</u> £
Turnover	1(b)	2000
Administrative Expenses		(656)
Other Operating Income		6
		—
Profit on Ordinary Activities before Taxation	2	1350
Taxation on Ordinary Activities	3	(360)
		—
Profit for the Financial Year after Taxation		990
		—
Retained Profit for the Period		990
Retained Profit at 15 May 1995		-
		—
Retained Profit at 31 July 1996		990
		=====

Continuing Operations

All of the company's activities were acquired during the above period. No activities were discontinued.

LANDLEAF LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 31 JULY 1996

The Company has no recognised gains or losses other than those shown on the Profit and Loss Account on page 2.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the Profit and Loss Account and the result on an unmodified historical cost basis is not material.

LANDLEAF LIMITED
BALANCE SHEET AT 31 JULY 1996

	<u>Notes</u>	<u>31.07.96</u>	
		£	£
<u>Fixed Assets</u>			
Investments	4		55000
<u>Current Assets</u>			
Cash at Bank and in Hand		1655	

		1655	
<u>Less Creditors</u> (Amounts falling due within one Year)	5	55663	

Net Current Liabilities			(54008)
Total Assets Less Current Liabilities			-----
			992

			992
			=====
<u>Represented by Capital and Reserves</u>			
Called Up Share Capital	6		2
Profit and Loss Account			990

Total Shareholders Funds	7, 8		992
			=====

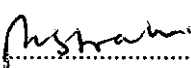
The directors are satisfied that the company was entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to Section 249B(2) in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for:-

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Act; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 so far as applicable to the company.

These accounts have been prepared taking advantage of the exemptions provided by Part I of Schedule 8 of the Companies Act 1985, on the grounds that in the Directors opinion, the Company is entitled to those exemptions as a Small Company.

Approved by the Board of Directors
on 11 February 1997
and signed on their behalf by:

P Straker  Director

LANDLEAF LIMITED

NOTES ON ACCOUNTS TO 31 JULY 1996

1. Accounting Policies

- (a) These accounts have been prepared under the Historical Cost Convention.
- (b) Turnover represents charges to external customers exclusive of Value Added Tax and trade discounts.
- (c) Deferred Taxation
A deferral of Corporation Tax has arisen due to the different basis on which profits are arrived at for taxation purposes as compared to the basis on which profits are stated in these financial statements. Provision has been made for this taxation to the extent to which it is considered likely to become payable in the foreseeable future and at the rate eventually expected to be charged.
- (d) Debtors are shown after providing for any amounts which the Directors consider may not be collected in full.
- (e) Investments which have been classified as Fixed Assets are included at cost, less any reductions in the value of those investments which are considered to be permanent.
- (f) Cash Flow Statement
The Company has taken advantage of the exemption contained within Financial Reporting Standard No. 1 from the requirement to prepare a Cash Flow Statement on the grounds that it qualifies as a Small Company as defined by Section 247 of the Companies Act 1985.

NOTES SUPPLEMENTING THE PROFIT AND LOSS ACCOUNT

2. Profits have been calculated after charging:-

	<u>31.07.96</u>
	£
Aggregate Directors Emoluments inclusive of Fees, Benefits in kind and Pension Contributions	-
	=====
<u>After Crediting:-</u>	
Other Interest Receivable and Similar Income	6
	=====

3. Taxation

The taxation charge for the year on ordinary profits consists of:-

	<u>31.07.96</u>
	£
U.K. Corporation Tax at 24% and 25%	360
	=====

LANDLEAF LIMITEDNOTES ON ACCOUNTS TO 31 JULY 1996 (CONTINUED)NOTES SUPPLEMENTING THE BALANCE SHEET4. (a) Investments (held as Fixed Assets)

	<u>Cost</u> <u>Valuation</u> <u>at 15.05.95</u>	<u>Additions</u> <u>during</u> <u>Period</u>	<u>Cost</u> <u>at</u> <u>31.07.96</u>
Other Investments (other than loans)	-	55000	55000
	=====	=====	=====

(b) Assets included at Valuation

The following assets have been included at valuation:

	<u>Original</u> <u>Cost</u>	<u>Amount of</u> <u>Valuation</u>	<u>Year of</u> <u>Valuation</u>
Freehold Land and Buildings	55000	55000	1996

(c) Assets valued during the period

The investment property was revalued on 31 July 1996 by P H Straker a director of the company. The basis of valuation was open market value.

5. <u>Creditors: Amounts falling due within one Year</u>	<u>31.07.96</u> £
Other Creditors	55303
Taxation and Social Security	360
	=====
	55663

6. <u>Share Capital</u>	<u>Authorised</u>	<u>Allotted and</u> <u>Fully Paid</u>
	<u>31.07.96</u>	<u>31.07.96</u>
Ordinary Shares of £1 Each	100	2
	=====	=====

LANDLEAF LIMITED**NOTES ON ACCOUNTS TO 31 JULY 1996 (CONTINUED)**7. **Reconciliation of Movement on Shareholders Funds**

	<u>31.07.96</u>
	£
Profit for the financial Period after taxation	990
Other recognised gains relating to the Period	2
New share capital subscribed	—
Opening shareholders' funds at 15 May 1995	992
	-
Closing shareholders' funds at 31 July 1996	992
	=====

9. **Total Shareholders Funds**

The whole of Total Shareholders Funds are attributable to Equity Interests.