

Company Registration No. 3238697 (England and Wales)

PROPERTY VISION LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 1997



PROPERTY VISION LIMITED

COMPANY INFORMATION

Directors	G Paterson	(Appointed 12 December 1996)
	W Gething	(Appointed 12 December 1996)
	C Ellingworth	(Appointed 12 December 1996)
	N Ashe	(Appointed 12 December 1996)
	R Bradstock	(Appointed 12 December 1996)
	M Cook	(Appointed 16 April 1997)
	P Mackie	(Appointed 16 April 1997)
Secretary	C Ellingworth	
Company number	3238697	
Registered office	8 Cromwell Place London SW7 2JN	
Auditors	Godfrey Allan Knighton House 56 Mortimer Street London W1N 8BY	
Business address	8 Cromwell Place London SW7 2JN	
Bankers	Barclays Bank 54 Lombard Street London EC3P 3AH	

PROPERTY VISION LIMITED

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PROPERTY VISION LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 1997

The directors present their report and financial statements for the period ended 31 December 1997. The company was incorporated on 16 August 1996 in the name of Jamboree Leisure Limited and changed its name to Property Vision Limited on 10 January 1997. The company commenced trading on 1 January 1997.

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 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.

Principal activities

The principal activity of the company is to offer intelligent advice at the top end of the residential property market. This takes the form of the property search on behalf of buyers but also includes both letting and management of residential investment properties.

Directors

The following directors have held office since 16 August 1996:

G Paterson	(Appointed 12 December 1996)
W Gething	(Appointed 12 December 1996)
C Ellingworth	(Appointed 12 December 1996)
N Ashe	(Appointed 12 December 1996)
R Bradstock	(Appointed 12 December 1996)
M Cook	(Appointed 16 April 1997)
P Mackie	(Appointed 16 April 1997)

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 1997	16 August 1996
W Gething	-	-
C Ellingworth	-	-
N Ashe	-	-
R Bradstock	-	-
M Cook	-	-
G Paterson	-	-
P Mackie	-	-

Charitable contributions

During the period the company made charitable donations of £12,000.

PROPERTY VISION LIMITED

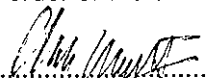
DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 1997

Auditors

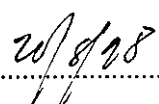
Godfrey Allan were appointed first auditors of the company and have expressed a willingness to be re-appointed in accordance with Section 385, of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board


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C Ellingworth
Director

Dated  20/8/98

Registered Office

8 Cromwell Place
London
SW7 2JN

PROPERTY VISION LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF PROPERTY VISION LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 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 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 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 31 December 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Godfrey Allan

Godfrey Allan

Chartered Accountants

Registered Auditor

Knighton House

56 Mortimer Street

London

W1N 8BY

20/8/98
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PROPERTY VISION LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 1997

	Notes	Period ended 31 December 1997 £
Turnover	1	2,128,054
Cost of sales		(42,518)
Gross profit		<u>2,085,536</u>
Administrative expenses		(1,220,454)
Operating profit	3	<u>865,082</u>
Other interest receivable and similar income	4	21,476
Interest payable and similar charges	5	(248)
Profit on ordinary activities before taxation		<u>886,310</u>
Tax on profit on ordinary activities	6	(287,500)
Profit on ordinary activities after taxation		<u>598,810</u>
Dividends	7	(595,001)
Retained profit for the period	13	<u><u>3,809</u></u>

Notes

The profit and loss account has been prepared on the basis that all operations are continuing operations.

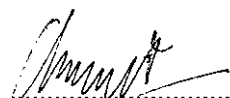
There are no recognised gains and losses other than those passing through the profit and loss account.

PROPERTY VISION LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1997

	Notes	1997 £	£
Fixed assets			
Tangible assets	8		94,772
Current assets			
Debtors	9	259,634	
Cash at bank and in hand		246,892	
		<u>506,526</u>	
Creditors: amounts falling due within one year	10	(597,488)	
		<u></u>	
Net current liabilities			(90,962)
Total assets less current liabilities			<u>3,810</u>
Capital and reserves			
Called up share capital	12		1
Profit and loss account	13		3,809
			<u></u>
Shareholders' funds - equity interests	14		<u>3,810</u>

The financial statements were approved by the Board on 20/8/98



C Ellingworth
Director

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	33.33% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

1997

£

Operating profit is stated after charging:

Depreciation of tangible assets	32,750
Operating lease rentals	34,500
Auditors' remuneration	7,650
Directors' emoluments	478,647

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (1996 - 2).

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

4	Other interest receivable and similar income				1997
					£
	Bank interest				21,476
					<u>21,476</u>
5	Interest payable				1997
					£
	On bank loans and overdrafts				248
					<u>248</u>
6	Taxation				1997
					£
	U.K. current year taxation				
	U.K. corporation tax at 31%				287,500
					<u>287,500</u>
7	Dividends				1997
					£
	Ordinary interim paid				595,001
					<u>595,001</u>
8	Tangible fixed assets				
		Fixtures and fittings	Plant and machinery	Motor vehicles	Total
				£	£
	Cost				
	At 16 August 1996	-	-	-	-
	Additions	10,309	37,526	92,364	140,199
	Disposals	-	-	(15,401)	(15,401)
		<u>10,309</u>	<u>37,526</u>	<u>76,963</u>	<u>124,798</u>
	At 31 December 1997	10,309	37,526	76,963	124,798
	Depreciation				
	At 16 August 1996	-	-	-	-
	On disposals	-	-	(2,724)	(2,724)
	Charge for the period	2,123	11,549	19,078	32,750
		<u>2,123</u>	<u>11,549</u>	<u>16,354</u>	<u>30,026</u>
	At 31 December 1997	2,123	11,549	16,354	30,026
	Net book value				
	At 31 December 1997	<u>8,186</u>	<u>25,977</u>	<u>60,609</u>	<u>94,772</u>

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

9 Debtors	1997
	£
Trade debtors	60,245
Amounts owed by group undertakings and undertakings in which the company has a participating interest	180,732
Other debtors	17,491
Prepayments	1,166
	<u>259,634</u>

10 Creditors: amounts falling due within one year	1997
	£
Trade creditors	13,586
Social security and other taxes	198,642
Corporation tax	287,500
Other creditors	1,672
Accruals	96,088
	<u>597,488</u>

11 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £42,363.

12 Share capital	1997
	£
Authorised	
10,000 Ordinary shares of £1 each	10,000
	<u> </u>
Allotted, called up and fully paid	
1 Ordinary shares of £1 each	1
	<u> </u>

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

13 Statement of movements on profit and loss account

Profit and
loss account
£

Retained profit for the period 3,809

14 Reconciliation of movements in shareholders' funds

1997
£

Profit for the financial period 598,810

Dividends (595,001)

3,809

Proceeds from issue of shares 1

Net addition to shareholders' funds 3,810

Opening shareholders' funds -

Closing shareholders' funds 3,810

15 Financial commitments

At 31 December 1997 the company had annual commitments under non-cancellable operating leases as follows:

Land and
buildings
1997
£

Expiry date:

Between two and five years 22,000

16 Capital commitments

As at 31 December 1997 the company had no outstanding capital commitments.

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

17 Directors' emoluments	1997
	£
Emoluments for qualifying services	436,284
Company pension contributions to money purchase schemes	42,363
	<u>478,647</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (1996 - 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	<u>87,349</u>
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18 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	1997
	Number
Management	10
Administration	11
	<u>21</u>

Employment costs

	£
Wages and salaries	685,893
Social security costs	63,095
Other pension costs	42,363
	<u>791,351</u>

19 Control

The company regards Property Vision Holdings Limited as its ultimate controlling party.

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

20 Related party transactions

Mr C V Ellingworth was appointed as a non-executive director on 27 January 1997 of Londonwide Properties PLC, The Grove, Pipers Lane, Harpenden, Herts AL5 1AH. As a result of this appointment a fee of £2,447 was paid to Property Vision Limited during the year.

Included in administrative expenses is an amount of £21,193.92 paid to Guinness Flight Paterson Limited a company in which Mr G D C Paterson is a director and Mr W R J Gething was a non-executive director until 1 April 1997. There was no outstanding balance at the year end.