

WYLER INVESTMENTS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1998
COMPANY NUMBER 3288760

SMITH & WILLIAMSON
Chartered Accountants
GUILDFORD



WYLER INVESTMENTS LIMITED**STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES
IN RESPECT OF THE ACCOUNTS**

Company law requires the director 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 director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act. He is 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.

AUDITORS' REPORT TO

WYLER INVESTMENTS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT

We have examined the abbreviated accounts on pages 3 to 6, together with the full statutory accounts of Wyler Investments Limited for the year ended 31 December 1998.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and to whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

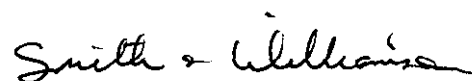
We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.

GUILDFORD

9 September 1999



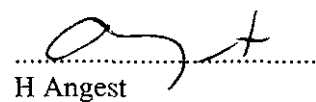
SMITH & WILLIAMSON
Chartered Accountants
Registered Auditors

WYLER INVESTMENTS LIMITED**BALANCE SHEET****31 DECEMBER 1998**

	Note	1998 £	1997 £
FIXED ASSETS			
Investments	2	2,140,270	1,168,563
CURRENT ASSETS			
Debtors		92,348	382,717
Cash at bank and in hand		10,759	1,734
		<u>103,107</u>	<u>384,451</u>
CREDITORS: amounts falling due within one year	3	(1,779,714)	(1,055,332)
NET CURRENT LIABILITIES		<u>(1,676,607)</u>	<u>(670,881)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£463,663</u>	<u>£497,682</u>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account		463,661	497,680
EQUITY SHAREHOLDERS' FUNDS		<u>£463,663</u>	<u>£497,682</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the director on 8 September 1999

 Director
H Angest

WYLER INVESTMENTS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****31 DECEMBER 1998****1. ACCOUNTING POLICIES**

The accounts are prepared in accordance with applicable Accounting Standards. The particular policies adopted by the director are described below.

a) Accounting convention

The accounts are prepared under the historical cost convention.

b) Deferred taxation

Deferred taxation is provided using the liability method for all timing differences between the results as shown by the accounts and those computed for taxation purposes other than those differences which are expected to continue in the foreseeable future.

c) Consolidated accounts

The company has prepared accounts as an individual undertaking, having taken advantage of the exemption conferred by Section 248 of the Companies Act 1985 from the requirement to prepare group accounts.

d) Fixed asset investments

Investments in the shares held as fixed assets are stated at cost less provision for any impairment in value.

	1998 £	1997 £
2. INVESTMENTS		
Shares in group undertaking brought forward	490	-
Additions in the year	1,500	490
Shares in group undertakings carried forward	1,990	490
Loans to group undertakings	2,138,280	1,168,073
	<u>£2,140,270</u>	<u>£1,168,563</u>

	Country of incorporation	Class of shares	Percentage of nominal value held	Share capital
Thurleigh Estates Limited	England	Ordinary	See below	£1,000
Thurleigh Estates Investments (No 3) Ltd	England	Ordinary	60%	£1,000
Thurleigh Estates Investments (No 1) Ltd	England	Ordinary	30%	£1,000
Thurleigh Estates Investments (No 2) Ltd	England	Ordinary	30%	£1,000
Thurleigh Estates Investments (Scotland) Ltd	England	Ordinary	30%	£1,000

WYLER INVESTMENTS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****31 DECEMBER 1998****2. INVESTMENTS - continued**

The company owns 49% of the issued share capital of 1,000 £1 Ordinary shares of Thurleigh Estates Limited, a property investment company incorporated in England and Wales and registered in England. A further 16% of the share capital of Thurleigh Estates Limited is held by Flowidea Limited, a company of which Mr H Angest is the beneficial owner of 100% of the company's share capital.

Flowidea Limited guarantees the bank loans disclosed in note 3 below in consideration of a payment of £7,000. This guarantee was supported by the deposit of assets. The loan made to Thurleigh Estates Limited stood at £930,073 at 31 December 1998 (1997 : £1,168,073).

Loans totalling £1.763 million were made to Thurleigh Estates Investments (No 1) Limited, Thurleigh Estates Investments (No 2) Limited, Thurleigh Estates Investments (No 3) Limited and Thurleigh Estates Investments (Scotland) Limited during the year bearing interest at 8½% but repayments during the year reduced this to £1,208,207 at 31 December 1998.

All the above are property investment companies.

	(Loss)/profit for year to 31 December 1998	Aggregate reserves at 31 December 1998
Thurleigh Estates Limited	(12,938)	121,416
Thurleigh Estates Investments (No 3) Ltd	31,660	32,660
Thurleigh Estates Investments (No 1) Ltd	254,055	255,055
Thurleigh Estates Investments (No 2) Ltd	9,583	10,583
Thurleigh Estates Investments (Scotland) Ltd	8,677	9,677

3. CREDITORS - amounts falling due within one year

Creditors include bank loans of £1,656,664 (1997 : £1,009,771). Interest is payable on the bank loans at 2% above bank base rate and these are secured by a floating debenture on the company's assets. A guarantee has also been given by Flowidea Limited as stated in note 2 above covering the loans, and the director has given a personal guarantee covering all loans. The directors current account is interest free and repayable on demand, the maximum balance during the year was a creditor of £495,400.

4. SHARE CAPITAL**Authorised:**

1,000 Ordinary shares of £1 each	£1,000	£1,000
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Allotted, called up and fully paid:

2 Ordinary shares of £1 each	£2	£2
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WYLER INVESTMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 DECEMBER 1998

5. GUARANTEE GIVEN ON LOAN TO GROUP UNDERTAKING

The company has signed a guarantee in favour of a bank loan raised by Thurleigh Estates Limited.

The company's shares in Thurleigh Estates Limited have been used as security for the bank loan raised by Thurleigh Estates Limited. The initial bank loan to Thurleigh Estates Limited was for £16,320,000 and the balance outstanding at 31 December 1998, including accrued interest, was £3,885,542 (1997 : £3,936,586).