

30/6.

WHITE ROSE FINANCE COMPANY LIMITED

Financial Statements

for the year ended 15 December 1997

Directors

J Dixon

J Guthrie

Secretary

J M Johnson

Accountants

Moore Stephens

Chartered Accountants

12 Alma Square

Scarborough

YO11 1JU

Bankers

The Royal Bank of Scotland plc

London, City Office

62/63 Threadneedle Street

London

EC2R 8LA

Registered Office

Third Floor

Pavilion House

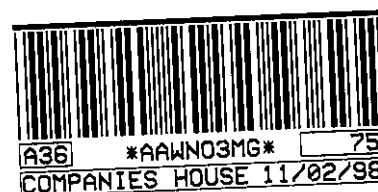
Scarborough

North Yorkshire

YO11 2JR

Company Registration

England 558783



WHITE ROSE FINANCE COMPANY LIMITED

Directors' Report

for the year ended 15 December 1997

The directors have pleasure in presenting their annual report to shareholders together with the accounts for the year ended 15 December 1997

Principal activity and business review

The principal activities of the company are those of a finance company and the collection of income from investments.

The profit and loss account reflects the following results and recommended distribution:

	1997	1996
	£	£
Profit after taxation	22,470	11,691
Recommended dividend	14,700	14,700
Retained profit / (loss) transferred to / (from) reserves	7,770	(3,009)

Directors' review

The state of the company's affairs is satisfactory. The results for the year under review are dealt with in the attached statement of accounts which reflect a profit for the year of £22,470 (1996 - £11,691) before appropriations. A dividend of £14,700 is proposed leaving £7,770 to be transferred to reserves.

Directors and their interests in the capital of the company

The directors and their family interests in the capital of the company during the period were:

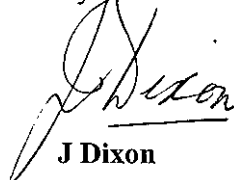
	Ordinary £1 Shares	
	15.12.97	15.12.96
J Dixon	150	150
J Guthrie (non-beneficial)	600	600

The above includes 150 shares of £1 each held by J Dixon and J Guthrie as trustees.

Elective Resolutions

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and this right may be exercised by notice in writing to the company's registered office within 28 days from the date of receipt of the accounts.

By Order of the Board



J Dixon
Chairman

3 February 1998

WHITE ROSE FINANCE COMPANY LIMITED

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 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.

Accountant's report to the directors

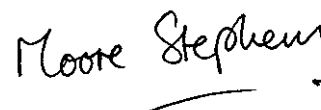
on the unaudited accounts for the year ended 15 December 1997

As described above the company's directors are responsible for the preparation of the accounts for the year ended 15 December 1997, set out on pages 4 to 8, and the directors consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with the directors' instructions, we have reviewed these unaudited accounts in conjunction with the accounting records of White Rose Finance Company Limited, and information and explanations supplied to us, in order to assist the directors to fulfil their statutory responsibilities.

12 Alma Square
Scarborough
YO11 1JU

3 February 1998



Moore Stephens

Chartered Accountants

WHITE ROSE FINANCE COMPANY LIMITED

Profit and loss account

for the year ended 15 December 1997

	Notes	£	£	1996 £	£
Administrative expenses		(534)		(711)	
Directors' fees and national insurance	2	<u>(689)</u>		<u>(650)</u>	
			(1,223)		(1,361)
Operating (loss) - continuing operations			<u>(1,223)</u>		<u>(1,361)</u>
Income from quoted investment			8,125		0
Interest receivable	3		24,572		22,906
Profit on ordinary activities before taxation			<u>31,474</u>		<u>21,545</u>
Taxation on profit on ordinary activities	4		(9,004)		(9,854)
Profit on ordinary activities after taxation	6		<u>22,470</u>		<u>11,691</u>
Dividend	7		(14,700)		(14,700)
Retained profit / (loss) for the year			<u><u>7,770</u></u>		<u><u>(3,009)</u></u>

Statement of total recognised gains and losses

There were no recognised gains or losses in the year other than have been recognised in the profit and loss account.

WHITE ROSE FINANCE COMPANY LIMITED

Balance Sheet

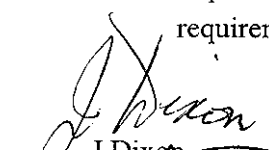
as at 15 December 1997

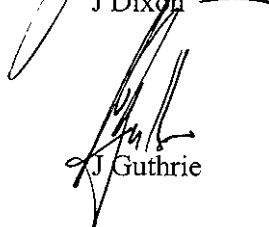
	Notes	£	£	1996 £	£
Fixed assets					
Investments	8		389,194		389,194
Current assets					
Debtors	9	3,702		3,784	
Cash at bank		419,986		414,279	
		<u>423,688</u>		<u>418,063</u>	
Creditors: amounts falling due within one year	10	<u>(42,081)</u>		<u>(44,226)</u>	
Net current assets			381,607		373,837
Total assets less current liabilities			<u>770,801</u>		<u>763,031</u>
Capital and reserves					
Called up share capital	11	600		600	
Profit & loss account	12	770,201		762,431	
Equity shareholders' funds			<u>770,801</u>		<u>763,031</u>

The financial statements were approved by the board of directors on 3 February 1998.

For the year in question the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the accounts for the financial year. The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- 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 or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.


J Dixon


J Guthrie

Directors

WHITE ROSE FINANCE COMPANY LIMITED

Notes to the accounts

for the year ended 15 December 1997

1 Accounting policies

These accounts have been prepared in accordance with applicable accounting standards under the historical cost convention, adopting the following principal accounting policies.

Deferred taxation

It is the director's policy to provide for deferred taxation only to the extent that a liability is anticipated to arise in the foreseeable future.

2 Employees

The only employees during the year were the directors. The costs incurred in respect of these employees were:-

	1997	1996
	£	£
Directors' emoluments	650	650
National insurance	39	0
	<u>689</u>	<u>650</u>

3 Interest receivable

	1997	1996
	£	£
Bank interest	24,543	22,906
Other interest receivable	29	0
	<u>24,572</u>	<u>22,906</u>

4 Taxation

	1997	1996
	£	£
Corporation tax payable at 31.5 % (1996 - 33%)	7,374	7,113
Under provision from the previous year	5	2,741
Tax credit on dividend income	1,625	0
	<u>9,004</u>	<u>9,854</u>

5 Deferred taxation

The full potential liability for deferred taxation not provided for in these accounts, assuming a rate of 31% (1996 - 33%) is as follows :

	1997	1996
	£	£
Short term timing differences	<u>0</u>	<u>4</u>

WHITE ROSE FINANCE COMPANY LIMITED

Notes to the accounts

for the year ended 15 December 1997

6 Reconciliation of movement in shareholders funds

	1997	1996
	£	£
Profit for the financial period	22,470	11,691
Dividend	(14,700)	(14,700)
	<u>7,770</u>	<u>(3,009)</u>
Shareholders funds at 15.12.96	763,031	766,040
Shareholders funds at 15.12.97	<u><u>770,801</u></u>	<u><u>763,031</u></u>

7 Dividends

	1997	1996
	£	£
Proposed - £24.50 per share (1996 - £24.50)	<u><u>14,700</u></u>	<u><u>14,700</u></u>

8 Fixed asset investments

	Quoted Shares £
Cost	
As at 15 December 1996	389,194
Additions at cost	0
Disposals at cost	0
As at 15 December 1997	<u><u>389,194</u></u>
Open market value	
As at 15 December 1996	<u><u>585,000</u></u>
As at 15 December 1997	<u><u>923,000</u></u>

9 Debtors

	1997	1996
	£	£
Other debtors	0	96
ACT recoverable	3,675	3,675
Prepayments and accrued income	27	13
	<u><u>3,702</u></u>	<u><u>3,784</u></u>

ACT is recoverable after more than one year.

WHITE ROSE FINANCE COMPANY LIMITED

Notes to the accounts

for the year ended 15 December 1997

10 Creditors: amounts falling due within one year

	1997	1996
	£	£
Corporation tax	3,700	5,863
Taxation & social security	3,694	3,675
Proposed dividend	14,700	14,700
Accruals and deferred income	19,987	19,988
	<u>42,081</u>	<u>44,226</u>

11 Share capital

	1997	1996
	£	£
Authorised 20000 Shares of £1 each	<u>20,000</u>	<u>20,000</u>
Issued and fully paid 600 Shares of £1 each	<u>600</u>	<u>600</u>

12 Reserves

	1997	1996
	£	£
Profit and Loss Account		
As at 15 December 1996	762,431	765,440
Retained profit for the year	7,770	(3,009)
As at 15 December 1997	<u>770,201</u>	<u>762,431</u>