

WYLER INVESTMENTS LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1997
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 them 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 period from 6 December 1996 to 31 December 1997.

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 section 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 section 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
22 July 1998



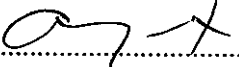
SMITH & WILLIAMSON
Chartered Accountants
Registered Auditors

WYLER INVESTMENTS LIMITED**BALANCE SHEET****31 DECEMBER 1997**

	Note	£	1997 £
FIXED ASSETS			
Investments	2		1,168,563
CURRENT ASSETS			
Debtors		382,717	
Cash at bank and in hand		1,734	
		<u>384,451</u>	
CREDITORS: amounts falling due within one year	3	(1,055,332)	
NET CURRENT LIABILITIES			<u>(670,881)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£497,682</u>
CAPITAL AND RESERVES			
Called up share capital	4		2
Profit and loss account			<u>497,680</u>
EQUITY SHAREHOLDERS' FUNDS			<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 17 July 1998.


 Director
 H Angest

WYLER INVESTMENTS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****31 DECEMBER 1997****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 permanent diminution in value.

2. INVESTMENTS

	£
Shares in group undertaking	490
Loan to group undertaking	1,168,073
	<u>£1,168,563</u>

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 which is wholly owned by Mr H Angest. Flowidea Limited guaranteed the bank loan disclosed in note 3 below in consideration for that company not being required to make a shareholder loan to Thurleigh Estates Limited. This guarantee was supported by the deposit of assets.

A loan for £3.8 million was made to Thurleigh Estates Limited during the year bearing interest at 8½% but repayments during the year reduced this to £1,168,073 at 31 December 1997.

The accounts for the group undertaking for the period ended 31 December 1997, which have not been consolidated, disclosed the following:

Profit for the period	£133,354
Share capital	<u>£1,000</u>
Aggregate reserves	<u>£134,354</u>

WYLER INVESTMENTS LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS31 DECEMBER 19973. **CREDITORS** - amounts falling due within one year

Creditors include a bank loan of £1,009,771. Interest is payable on the bank loan at 2% above bank base rate and is 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. The director's current account of £488 is interest free and there are no fixed terms for repayment.

In addition to the guarantee given by Flowidea Limited, a loan guarantee facility has been provided to Wyler Investments Limited by Rora Investments Limited in respect of its loan from Hambros Bank Limited. Rora Investments Limited is considered to be a related party with the director who is the principal beneficiary of the trustee shareholder. A guarantee fee of £4,000 is payable for the provision of the guarantee.

4. **SHARE CAPITAL****Authorised:**

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

2 Ordinary shares of £1 each	£2
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The shares were issued at par for cash.

WYLER INVESTMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 DECEMBER 1997

5. GUARANTEE GIVEN ON LOAN TO GROUP UNDERTAKING

The company has signed a guarantee in favour of bank loans 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 1997, including accrued interest, was £3,936,586.

6. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the company purchased shares at par in four further property investment companies, 300 shares in each of Thurleigh Estates Investments (No 1) Limited, Thurleigh Estates Investments (No 2) Limited and Thurleigh Estates Investments (Scotland) Limited and 600 shares in Thurleigh Estates Investments (No 3) Limited. Each of these companies had 1,000 issued shares.

Loans were also made to these companies of £877,000, £113,000, £128,000 and £588,000 respectively.