

MULTIFLORA LIMITED

DIRECTORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st AUGUST 1997

Company Number : 155594



MULTIFLORA LIMITED

Company Information

Directors	Mr. B.J. Barnett Mr. F.A. Clarke
Secretary	F.A. Clarke
Company Number	155594
Registered Office	127B High Street Edenbridge Kent
Auditors	Susan Salkeld 62, Hackenden Lane East Grinstead West Sussex

MULTIFLORA LIMITED

Contents	Page
	1
Directors Report	
Auditors Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5-7
The following pages do not form part of the statutory accounts :	
Trading and profit and loss account and summaries	8-9

MULTIFLORA LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST AUGUST, 1997.

The director presents his Annual Report, with the accounts of the Company ended 31st August, 1997

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 the affairs of the company and of the profit and 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. A cash flow statement has not been prepared as the Director is of the view that it would serve no useful purpose.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 Section (246(8)) applicable to small companies.

Principal activity

The principal activity of the company was that of housebuilders and developers.

Directors

The director who served during the year, together with their shareholdings both at the beginning and end of the year was as follows:

B.J.Barnett	1	Ordinary Share £1 each
F.A.Clarke	-	Ordinary Share £1 each

Auditors

The auditors, Hereward Philips, resigned as auditors in June 1998 and Mrs. Susan Salkeld was appointed in their place. Mrs Salkeld will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

approved on the

29.6.98

Date.

AUDITOR'S REPORT TO THE SHAREHOLDERS OF MULTIFLORA LIMITED

FOR THE YEAR ENDED 31ST AUGUST 1997

I have audited the accounts on pages 3 to 6 ,which have been prepared on the basis of the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion , based on my audit, on these accounts and to report my opinion to you.

Basis of opinion .

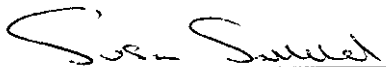
I conducted my audit in accordance with Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the committee in the preparation of the accounts ,and of whether the accounting policies are appropriate to the branch circumstances and consistently applied.

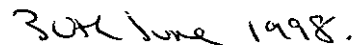
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error .In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounts.

Audit Opinion

In my opinion the accounts give a true and fair view of the state of affairs of the Company as at 31st August 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Susan Salkeld F.C.C.A.
Registered Auditor
62 Hackenden Lane
East Grinstead
West Sussex



Date.

MULTIFLORA LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31st August 1997

	Note	1997 £	1996 £
TURNOVER	1	--	--
Administrative expenses		(28,868)	(19,053)
Other operating income		1,035	1,200
OPERATING LOSS	3	<u>(27,833)</u>	<u>(17,853)</u>
Interest payable		--	(5,000)
LOSS ON ORDINARY ACTIVITIES		(27,833)	(22,853)
EXTRAORDINARY ITEM (INTEREST WAIVED)		91,663	
TAXATION		--	--
RETAINED PROFIT(LOSS) FOR THE YEAR		<u>63,830</u>	<u>(22,853)</u>
LOSS BROUGHT FORWARD		(27,356)	(4,503)
PROFIT (LOSS) CARRIED FORWARD		<u>36,474</u>	<u>(27,356)</u>

Turnover and operating profit derive wholly from continuing operations.

There were no recognised gains or losses for 1997 or 1996 other than those included in the profit and loss account.

The noted on pages 5 to 8 for part of these financial statements.

MULTIFLORA LIMITED

BALANCE SHEET

As at 31st August 1997.

	Note	1997	1996
FIXED ASSETS			
Tangible fixed assets	5	7,200	7,200
 CURRENT ASSETS			
Debtors			
Due within one year	6	254,574	319,057
Cash at bank and in hand		63	298
		<u>254,637</u>	<u>319,355</u>
 CREDITORS : amounts falling due within one year.	7	<u>(9,650)</u>	<u>(138,198)</u>
 NET CURRENT (LIABILITIES)/ASSETS		<u>244,987</u>	<u>181,157</u>
 NET ASSETS		<u>252,187</u>	<u>188,357</u>
 CAPITAL AND RESERVES			
Called up share capital	9	500	500
Other reserves	10	215,213	215,213
Profit and loss account		36,474	(27,356)
 SHAREHOLDERS' FUNDS	11	<u>252,187</u>	<u>188,357</u>

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

The financial statements were approved by the board on 29th June 1998.


B.J. BARNETT

Director

MULTIFLORA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st August 1997

1. 'ACCOUNTING POLICIES

Basis of preparation of financial statements.

The financial statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds it is a small company

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the costs or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings NIL %

2 'TURNOVER

All of the company's turnover arose within the United Kingdom.

3. OPERATING LOSS

The operating profit is stated after charging :

	1997	1996
Auditors remuneration.	450	952

4.'DIRECTORS EMOLUMENTS

6400	19500
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TANGIBLE ASSETS

	Land & Buildings	Total
Cost	7200	7200
Net Book Value	7200	7200

Freehold ground rents have been valued by the directors at their open market value in accordance with a generally accepted formula.

MULTIFLORA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st August 1997

6. DEBTORS

	1997 £	1996 £
Due within one year		
Trade debtors		
Amounts due from group undertakings	275,574	315,147
Other debtors		3,910
	<u>275,574</u>	<u>319,057</u>

7. CREDITORS

Amounts falling due within one year

Corporation tax	--	3,910
Other creditors	9,650	134,288
	<u>9,650</u>	<u>138,198</u>

8. CALLED UP SHARE CAPITAL

Authorised		
750 ordinary shares of £1 each	750	750
250 deferred shares of £1 each	250	250
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
250 ordinary shares of £1 each	250	250
250 deferred shares of £1 each	250	250
	<u>500</u>	<u>500</u>

9. RESERVES

Other reserves		
At 1st September 1996	215,213	215,213
At 31st August 1997	<u>215,213</u>	<u>215,213</u>

10. SHAREHOLDERS FUNDS

Reconciliation of movements on shareholders funds

	1,997	1,996
Loss for the year	84,830	(22,853)
Opening shareholders funds	188,357	211,210
	<u>273,187</u>	<u>188,357</u>

Closing shareholders funds

Analysis of shareholders funds		
Non Equity interests	250	250
Equity interests	272,937	188,107
	<u>273,187</u>	<u>188,357</u>

MULTIFLORA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st August 1997

11. CONTINGENT LIABILITIES

The company has given a guarantee to its parent undertaking in respect of a guarantee issued by it to in respect of bank borrowings of Visual Image Presentations Limited.

12. PARENT COMPANY

The company's ultimate parent undertaking is Monkbury Limited a company incorporated in Great Britain and registered in England and Wales.