

ACORN SPANISH PROPERTY INVESTMENTS LIMITED

REPORT AND ACCOUNTS

30 APRIL 1998

Clement Keys
CHARTERED ACCOUNTANTS

Registered Number 2496828



ACORN SPANISH PROPERTY INVESTMENTS LIMITED

DIRECTORS ' REPORT

Directors

J Ahmed
K A Hazelwood
D Moule

The directors present their report together with the audited accounts for the year ended 30 April 1998.

Directors and their interests

The directors of the company during the year and their interests in the company's share capital at 30 April 1998 were as follows :

	At 30 April 1998 Ordinary £1 shares	At 30 April 1997 Ordinary £1 shares
J Ahmed	1	1
K A Hazelwood	1	1
D Moule	1	1

Activities

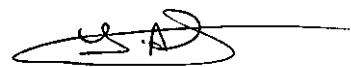
The company has not traded during the year, but owns the title to a freehold property in Spain.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the reappointment of Clement Keys as auditors to the company will be put to the Annual General Meeting.

On behalf of the Board

J Ahmed



Secretary

3 February 1999

ACORN SPANISH PROPERTY INVESTMENTS 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 year. In preparing those accounts, the directors are required to

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) 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.

ACORN SPANISH PROPERTY INVESTMENTS LIMITED

BALANCE SHEET

30 APRIL 1998

	Notes	1998 £	1997 £
Current assets			
Cash at bank and in hand		<u>3</u>	<u>3</u>
Capital and reserves			
Called up share capital	2	<u>3</u>	<u>3</u>

The financial statements on pages 3 and 4 were approved by the board of directors on 3 February 1999.

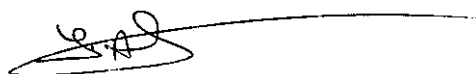
The directors are satisfied that the company was entitled to exemption under subsection (1) of Section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of Section 249B in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for :

- (i) ensuring that the company keeps accounting records which comply with Section 221; and
- (ii) 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, and which otherwise comply with requirements of this Act relating to accounts, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985, on the basis that the company qualifies as a small company.

J Ahmed) Director



ACORN SPANISH PROPERTY INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

30 APRIL 1998

1 Accounting policies

The accounts of the company have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

2 Share capital

	1998 £	1997 £
Authorised :		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued		
3 Ordinary shares of £1 each	<u>3</u>	<u>3</u>

3 Profit and loss account

The company has not traded during the year and consequently no profit and loss account has been prepared.

**ACCOUNTANTS' REPORT TO THE SHAREHOLDERS OF
ACORN SPANISH PROPERTY INVESTMENTS LIMITED**

In accordance with instructions given to us by the company's directors we have prepared the accounts for the year ended 30 April 1998 set out on pages 3 and 4 on the basis of information contained in the company's accounting records and from limited enquiries of the directors.

As described on the balance sheet the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit.

We have not conducted an audit on the accounts in accordance with Auditing Standards nor has this report been prepared in accordance with the Standards for Reporting Accountants issued by the Auditing Practices Board.

Our work therefore does not provide any assurance that the accounting records and the accounts are free from material misstatement and accordingly we express no opinion thereon.

Brierley Hill

3 February 1999



Clement Keys

Chartered Accountants