

AYIMER HOLDINGS PLC

YEAR ENDED 31ST JULY 1994

DIRECTORS

P.M. Domb
H.M. Defries

COMPANY SECRETARY

P.M. Domb

REGISTERED OFFICE

3 Stedham Place
London WC1A 1HU

REGISTERED NUMBER

2226163 (England & Wales)

AUDITORS

Jacobs Sassoon
3 Stedham Place
London WC1A 1HU.

INDEX TO FINANCIAL STATEMENTS

Page No.

| | |
|-------|-----------------------------------|
| 1 - 2 | Report of the Directors |
| 3 | Report of the Auditors |
| 4 | Profit and Loss Account |
| 5 | Balance Sheet |
| 6 | Cash Flow Statement |
| 7 - 9 | Notes to the Financial Statements |

The following does not form part of the statutory accounts:

10 Trading and Profit and Loss Account



AYIMER HOLDINGS PLC

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JULY 1994

The directors submit their annual report and financial statements for the year ended 31st July 1994.

Review of the business

The company is principally engaged as a holding company and does not trade. The group is principally engaged in property dealing and investment.

The value of the company's investments in subsidiaries has been written down to £nil as in the opinion of the directors these investments have no realisable value.

The directors consider the state of the company's affairs to be satisfactory.

Results and dividends

The loss after tax for the year amounted to £49,115, as shown on page 4.

The directors are unable to recommend the payment of a dividend.

Directors

The directors during the year under review and the shares in the company in which they were interested at the beginning and end of the year were:

| | Ordinary shares of £1 each | |
|--------------|----------------------------|-------------------|
| | At 1st August 1993 | At 31st July 1994 |
| P.M. Domb | 25,000 | 25,000 |
| H.M. Defries | 25,000 | 25,000 |

On 1st February, 1995 an additional 1,100 Ordinary shares of £1 each were issued to P.M. Domb and also on the same day an additional 1,100 Ordinary shares of £1 each were issued to H.M. Defries.

In accordance with the articles of association, P.M. Domb will retire by rotation and, being eligible, will offer himself for re-election.

Fixed assets

Movements in fixed assets are shown in the notes to the financial statements.

AYLMER HOLDINGS PLC

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JULY 1994

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 or loss of the company for that period. In preparing these financial statements, the directors are required to

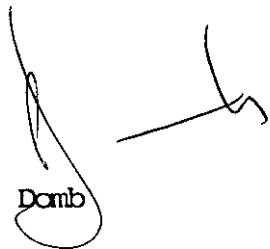
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Auditors

The auditors, Messrs. JACOBS SASSOON, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the board of directors



P.M. Domb

Secretary

Approved by the board: 28th February, 1995.

AUDITORS' REPORT TO THE SHAREHOLDERS OF

AYLMER HOLDINGS PLC

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

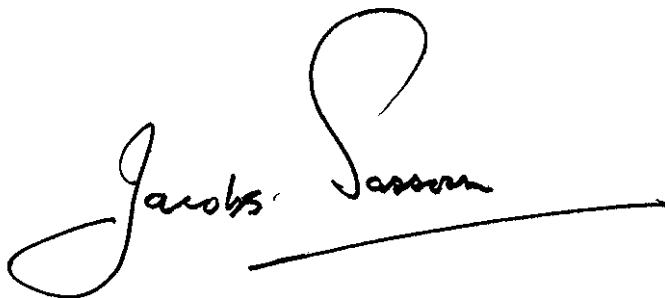
Basis of opinion

We conducted our 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st July, 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, reading "Jacobs Sassoon", with a long horizontal line extending from the end of the signature.

JACOBS SASSOON
Chartered Accountants
& Registered Auditors
3 Stedham Place
London WC1A 1HU.

28th February, 1995.

AYLMER HOLDINGS PLC

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
31ST JULY 1994

| | Notes | 1994 | 1993 |
|---|-------|-----------------|--------------|
| | | £ | £ |
| TURNOVER | 2 | - | - |
| Net operating expenses | | <u>985</u> | <u>(462)</u> |
| PROFIT (LOSS) ON ORDINARY ACTIVITIES | | 985 | (462) |
| Amounts written off investments | | <u>(50,100)</u> | <u>-</u> |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (49,115) | (462) |
| Tax on loss on ordinary activities | 5 | <u>-</u> | <u>-</u> |
| LOSS ON ORDINARY ACTIVITIES AFTER TAXATION | | <u>(49,115)</u> | <u>(462)</u> |

The company is a holding company and does not trade. The company has neither acquired or commenced any new business activities nor discontinued any operations. It has no recognised gains or losses other than the loss for the year.

BALANCE SHEET

| | | Notes | 1994 £ | 1993 £ |
|---|---|-------|-----------------|----------------|
| FIXED ASSETS | | | | |
| Investments | 6 | | - | <u>50,100</u> |
| CURRENT ASSETS | | | | |
| Cash | | | <u>14</u> | <u>76</u> |
| | | | 14 | 76 |
| CREDITORS: Amounts falling due within one year | 7 | | <u>(2,155)</u> | <u>(3,202)</u> |
| NET CURRENT LIABILITIES | | | <u>(2,141)</u> | <u>(3,126)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>(2,141)</u> | <u>46,974</u> |
| CAPITAL AND RESERVES | | | | |
| Called-up share capital | 8 | | 50,000 | 50,000 |
| Profit and loss account (deficit) | | | <u>(52,141)</u> | <u>(3,026)</u> |
| | | | <u>(2,141)</u> | <u>46,974</u> |

[Signature]

)
)
) Directors
)

5

AYLMER HOLDINGS PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST JULY 1994

| | 1994 | 1993 |
|--|-------------|--------------|
| | £ | £ |
| NET CASH OUTFLOW FROM OPERATING ACTIVITIES | (62) | <u>(109)</u> |
| FINANCING | | |
| NET CASH INFLOW FROM FINANCING | <u>-</u> | <u>-</u> |
| DECREASE IN CASH AND CASH EQUIVALENTS | <u>(62)</u> | <u>(109)</u> |

The notes set out on pages 7 to 9 form part of these financial statements

AYLMER HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 1994

1 ACCOUNTING POLICIES

(a) Basis of accounting

These financial statements have been prepared under the historical cost convention.

2 TURNOVER

There was no turnover in the year under review.

3 OPERATING LOSS

| | | |
|--|------------|------------|
| Operating loss is stated after charging: | 1994 £ | 1993 £ |
| Administrative expenses including: | | |
| Investments written off | 50,100 | - |
| Auditors' remuneration | <u>353</u> | <u>352</u> |

4 STAFF COSTS

The company incurred no staff costs during the year.

The company had no employees, other than the directors.

5 TAXATION

No Corporation Tax charge arises on the results for the year.

The company is a "close" company within the provisions of the Income and Corporation Taxes Act 1988.

6 INVESTMENTS

| | |
|----------------------------------|----------|
| Investment in Group Undertakings | £ |
| At 1st August 1993 | 50,100 |
| Provision for losses | (50,100) |
| At 31st July 1994 | <u>-</u> |

AYLMER HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 1994

6 INVESTMENTS (continued)

Details of group undertakings at the balance sheet date are as follows:

| Name of company and business | Class of Shares | Holding % | Year end |
|---|--------------------|--------------|-----------|
| Aylmer Securities Limited property dealing - non trading Deficit of capital and reserves £29,767 | Ords | 100.00 | July 31st |

The company is registered in England & Wales.

| 7 CREDITORS: Amounts falling due within one year | 1994 £ | 1993 £ |
|--|--------------|--------------|
| Amounts owed to subsidiary undertakings | - | 1,400 |
| Other creditors | 1,802 | 400 |
| Accruals | 353 | 1,402 |
| | <u>2,155</u> | <u>3,202</u> |

| 8 SHARE CAPITAL | Number 1994 | Value 1994 £ | Number 1993 | Value 1993 £ |
|-------------------------------|----------------|--------------------|----------------|--------------------|
| Authorised: | | | | |
| Ordinary shares of £1 each | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> |
| Issued and fully paid: | | | | |
| Ordinary shares of £1 each | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> |

On 31st January, 1995 the authorised share capital was increased to 100,000 Ordinary shares of £1 each.

On 1st February, 1995 an additional 2,200 Ordinary shares of £1 each were issued and fully paid.

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 1994 £ | 1993 £ |
|---------------------------------------|-----------------|---------------|
| Loss for the financial year | <u>(49,115)</u> | <u>(462)</u> |
| Net reduction in shareholders' funds | (49,115) | (462) |
| Opening shareholders' funds | <u>46,974</u> | <u>47,436</u> |
| Closing shareholders' funds (deficit) | <u>(2,141)</u> | <u>46,974</u> |

AYLMER HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 1994

10 NOTES TO CASH FLOW STATEMENT

i) Reconciliation of operating profit to net cash inflow from operating activities

| | 1994 | 1993 |
|--|-------------|--------------|
| | £ | £ |
| Operating profit (loss) | 985 | (462) |
| (Decrease) increase in creditors | (1,047) | 353 |
| Net cash outflow from operating activities | <u>(62)</u> | <u>(109)</u> |

ii) Analysis of changes in cash and cash equivalents during the year

| | 1994 | 1993 |
|----------------------------|-----------|-----------|
| | £ | £ |
| Balance at 1st August 1993 | 76 | 185 |
| Net cash outflow | (62) | (109) |
| Balance at 31st July 1994 | <u>14</u> | <u>76</u> |

iii) Analysis of the balances of cash and cash equivalents as shown in the balance sheet

| | Cash at bank and in hand |
|----------------------|--------------------------|
| | £ |
| At 1st August 1992 | 185 |
| Movement in the year | (109) |
| At 31st July 1993 | <u>76</u> |
| Movement in the year | (62) |
| At 31st July 1994 | <u>14</u> |