

Company No. 02459785

EARTH LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 1995

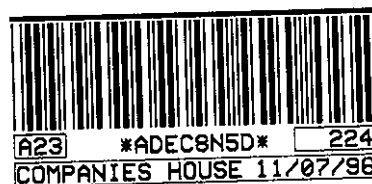
WELLERS

ACCOUNTANTS

19/20 POLAND STREET

LONDON

W1V 3DD



AUDITORS' REPORT TO EARTH LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of Earth Limited prepared under Section 226 of Companies Act 1985 for the year ended 31st December 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors statement on page 2 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1995, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other Information

On 28th June 1996 we reported as auditors of Earth Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 1995, and our audit report was as follows:

AUDITORS' REPORT TO EARTH LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

'We have audited the financial statements on pages 5 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 judgments 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 financial statements give a true and fair view of the state of the company's affairs at 31st December 1995 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.'



Wellers
Registered Auditors
19-20 Poland Street
London
W1V 3DD

28th June 1996

EARTH LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31ST DECEMBER 1995

			<u>1995</u>	<u>1994</u>
	<u>Notes</u>	£	£	£
<u>FIXED ASSETS</u>				
Tangible assets	2		7,604	9,433
			<u>7,604</u>	<u>9,433</u>
<u>CURRENT ASSETS</u>				
Debtors		3,641	-	
Cash at bank and in hand		17,496	30,036	
		<u>21,137</u>	<u>30,036</u>	
CREDITORS - amounts falling due within one year		(27,013)	(30,484)	
NET CURRENT LIABILITIES			(5,876)	(448)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,728</u>	<u>8,985</u>
NET ASSETS		£	<u>1,728</u>	£ <u>8,985</u>

Financed by:

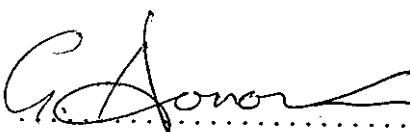
CAPITAL AND RESERVES

Called up share capital	3	20,100	20,100
Profit and loss account		(18,372)	(11,115)
		<u>£ 1,728</u>	£ <u>8,985</u>

In preparing these abbreviated accounts we have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 on the grounds that the company is entitled to the benefits of sections as a small company.

ON BEHALF OF THE BOARD

G C Donovan - Director



28th June 1996

EARTH LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

1.1 Accounting Conventions

The accounts have been prepared under the historical cost accounting convention, set out in the 4th Schedule to the Companies Act 1985, and comply with the Statements of Standard Accounting Practice.

1.2 Turnover

This represents the invoiced amounts of goods sold and provided, net of value added tax.

1.3 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, at rates calculated to write off the cost by equal annual instalments over their estimated useful lives at the following rates:-

	<u>Rate per annum</u>	<u>Term</u>
Leasehold building	Equal instalments	Lease term
Office equipment	25.00%	Net Book Value
Fixtures and fittings	25.00%	Net Book Value

1.4 Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

No provision has been made in the accounts due to the availability of tax losses.

EARTH LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

2. TANGIBLE FIXED ASSETS

	<u>Leasehold Property</u> £	<u>Office Equipment</u> £	<u>Fixtures & Fittings</u> £	<u>Total</u> £
<u>Cost</u>				
At commencement	3,338	10,060	3,269	16,667
At 31st December 1995	<u>3,338</u>	<u>10,060</u>	<u>3,269</u>	<u>16,667</u>
<u>Depreciation</u>				
At commencement	620	5,189	1,425	7,234
Charge for year	151	1,217	461	1,829
At 31st December 1995	<u>771</u>	<u>6,406</u>	<u>1,886</u>	<u>9,063</u>
<u>Net Book Value</u>				
At 31st December 1995	<u>2,567</u>	<u>3,654</u>	<u>1,383</u>	<u>7,604</u>
At 31st December 1994	<u>2,718</u>	<u>4,871</u>	<u>1,844</u>	<u>9,433</u>

4. SHARE CAPITAL

	<u>Authorised</u> £	<u>Allotted, Issued and fully paid</u>	
		<u>1995</u> £	<u>1994</u> £
Ordinary A shares of £1 each	50,000	100	100
Ordinary B shares of £1 each	50,000	20,000	20,000
	<u>100,000</u>	<u>20,100</u>	<u>20,100</u>