

AUDITORS' REPORT TO THE DIRECTORS OF

FOUNDATION ESTATES LIMITED

(UNDER PARAGRAPH 10 OF SCHEDULE 8 TO THE COMPANIES ACT 1985)

We have examined the Modified Accounts as set out on pages 1 and 2, for the year ended on the 31st March, 1988, which have been properly prepared in accordance with Schedule 8 to the Companies Act 1985.

In our opinion the Directors are entitled to deliver Accounts modified for a small Company in respect of the year as claimed in their statement on page 1.

We have not carried out an audit on these Modified Accounts, however, as auditors of Foundation Estates Limited, on the 1st March, 1988, we reported to the Members on the Accounts of the Company, prepared under section 227 of the Companies Act 1985 for the year ended on the 31st March, 1988, as follows:

"We have audited the Financial Statements on pages 2 to 9. Our audit was conducted in accordance with approved auditing standards having regard to the matters referred to in the following paragraphs.

In common with many businesses of similar size and organisation the Company's system of control is dependent on the close involvement of the Directors (who are also Shareholders). Where independent confirmation of the completeness of the accounting records was therefore not available, we have accepted assurances from the Directors that all the Company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion, the Financial Statements which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs as at the 31st March, 1988 and of its results and of its source and application of funds for the year then ended, and comply with the Companies Act 1985".

*Ben. W.*

BENHAM, WINTERS & CO.

197, Edgware Road,  
London, W2 1EZ



March 1989

FOUNDATION ESTATES LIMITED

MODIFIED BALANCE SHEET AS AT THE 31ST MARCH 1988

1987				
£	£		£	£
		<u>FIXED ASSETS</u>		
-		Tangible Assets	183,500	
-		Intangible Assets	-	
-		Investments	-	
-----			-----	183,500
		<u>CURRENT ASSETS</u>		
-		Stocks	-	
-		Debtors	6,792	
2		Cash at Bank and In Hand	50	
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2			6,842	
		<u>CREDITORS</u>		
-		Amounts falling due within one year	2,554	
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2		<u>NET CURRENT ASSETS</u>		4,288
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2		<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		187,788
		<u>CREDITORS</u>		
-		Amounts falling due after more than one year	184,187	
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2			3,601	
=====			=====	
		<u>CAPITAL AND RESERVES</u>		
2		Called-up Share Capital		100
-		Share Premium Account		-
-		Revaluation Reserve		-
-		Profit & Loss Account		3,501
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2				3,601
=====				=====

C E R T I F I C A T E

In preparing these Modified Accounts, we have relied upon the exemptions for individual accounts provided by Sections 247 to 249 of the Companies Act 1985, and we have done so on the grounds that the Company is entitled to the benefit if these exemptions as a small Company.

*R. M. Gower*  
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Approved by the Board

March 1989

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DIRECTORS

FOUNDATION ESTATES LIMITEDNOTES TO THE ACCOUNTS FOR THE YEAR ENDED ON THE 31ST MARCH 1988**ACCOUNTING POLICIES:**

- (a) Basis - The Accounts have been prepared under the historical cost convention
- (b) Turnover - Represents rent receivable
- (c) Depreciation has been provided as follows:

Freehold Properties - None - In the opinion of the Directors it is not considered necessary to depreciate the Freehold Property

- (d) Stocks, Work-in-Progress, etc. - Not applicable
- (e) Deferred Taxation - None
- (f) Research and Development - None
- (g) Foreign Currencies - None

**GROSS INCOME:**

The Gross Income and Surplus before Taxation arise from activities as Property Investors.

**TAXATION:**

Taxation deferred by reason of accelerated capital allowance and stock relief amount to NIL (1987 : NIL)

**SHARE CAPITAL:**

	<u>Number</u>	<u>Class</u>	<u>Nominal Value</u>	<u>1987</u>	<u>1988</u>
Authorised	100	Ordinary	£1	£100	£100
	===		==	====	====
Issued, allotted and fully paid	100	Ordinary	£1	£2	£100
	===		==	==	====

**CAPITAL RESERVES:** None

**INVESTMENTS:** None

**STOCKS:** None

**CREDITORS:**

Amounts falling due after more than one year - no definitive terms of/for repayment have been stipulated.