

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, 1992, 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 31st June 1994, 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, 1992, 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, 1992 and of its results and of its source and application of funds for the year then ended, and comply with the Companies Act 1989".

B. A. W.

BENHAM, WINTERS & CO.

The Red House
72A High Street
Bushey, Herts. WD2 3DE

June 1994



FOUNDATION ESTATES LIMITED

MODIFIED BALANCE SHEET AS AT THE 31ST MARCH 1992

£	<u>1991</u>	£		£	£
			<u>FIXED ASSETS</u>		
183,500			<u>Tangible Assets</u>	183,500	
-			<u>Intangible Assets</u>	-	
-			<u>Investments</u>	-	
	183,500				183,500
			<u>CURRENT ASSETS</u>		
-			<u>Stocks</u>	-	
1,000			<u>Debtors</u>	1,875	
16,890			<u>Cash at Bank and In Hand</u>	28,634	
17,890				30,509	
			<u>CREDITORS</u>		
(18,720)			Amounts falling due within one year	(23,485)	
(830)			<u>NET CURRENT (LIABILITIES)/ASSETS</u>		7,024
182,670			<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		190,524
			<u>CREDITORS</u>		
(164,349)			Amounts falling due after more than one year	(161,070)	
18,321					29,454
			<u>CAPITAL AND RESERVES</u>		
100			Called-up Share Capital		100
-			Share Premium Account	-	
-			Revaluation Reserve	-	
18,221			Profit & Loss Account		29,354
18,321					29,454

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 of these exemptions as a small Company.

R. M. Hunter
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Approved by the Board

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DIRECTORS

June 1994

FOUNDATION ESTATES LIMITED

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NOTES TO THE MODIFIED ACCOUNTS FOR THE YEAR ENDED ON THE 31ST MARCH 1992

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 allowances is NIL (1991 NIL)

SHARE CAPITAL:

	<u>Number</u>	<u>Class</u>	<u>Nominal Value</u>	<u>1992</u>	<u>1991</u>
Authorised	100	Ordinary	£1	£100	£100
	===		==	====	====
Issued, allotted and fully paid	100	Ordinary	£1	£100	£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.