YELLOW DOOR PROPERTY COMPANY LIMITED

DETAILED PROFIT AND LOSS for the period ended 31st March 1995

		1995		1994
			£	£
Turnover		300,048		185,353
Less Property Costs		257,145		64,944
Gross Profit		42,903		120,409
Less: Management Expenses				
Directors Remuneration	0		0	
Rental Agents Fees	0		411	
Contract Supervision	3,500			
Telephone	1,909		1,557	
Motor Expenses	3,624		1,275	
Consumable Equipment and Tools	33		259	
Stationery	371		79	
Travel Costs	56		579	
Entertainment	2,429		368	
Insurances	3,499		2,709	
Legal & Professional	2,305		1,187	
Accounting Costs	5,291		235	
Bank Charges	2,031		79	
Sundries	141		120	
Reference Materials and Photographs	315		0	
Depreciation	2,149		153	
Total Expenses		27653		9,011
		15,250		111,398
Interest Receivable		355		
Interest Payable		7,825		6,950
Profit Before Taxation		7,780		104,448

YELLOW DOOR PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 1995

8) SHARE CAPITAL

	1995	1994
	£	£
Authorised Ordinary Shares £1 each	1,000	1,000
	======	======
Issued Ordinary Shares £1 each	1,000	1,000
	======	======

9) RESERVES

	1995	1994
	£	£
Distributable Reserves	83,731	78,655
Non-distributable Property Revaluation Reserves	31,074	13,881
	-------------	-------------
Total	114,805	92,536
	=======	======

10) RECONCILIATION OF SHAREHOLDERS FUNDS

Shareholders Funds	1995
	£
As at 1st Apr 1994	83,731
Profit after Tax for the Year	5,076
Increase in the non-distributable revaluation reserves	17,193

As at 31st Mar 1995	115,805
	=======

YELLOW DOOR PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 1995

6) DEBTORS Amounts falling due within 12 months

7/5/24

+ £2024

	1995	1994
	£	£
Trade Debtors	69,500	875
Other Debtors	16,684	19,757
	88,208	20,632

7) CREDITORS

Amounts falling due within one year

	1995	1994
	£	£
Mortgages	75,600	90,536
Corporation Tax	2,711	25,793
Bank Overdraft	4,283	0
Accrued Expenses	7,128	1,239
Other Creditors	1,430	4,093
	91,152	121,661

Amounts Due after One Year

		£
Deferred Taxation	10,358	4,627
Loans from Directors	58,657	76,519
Bank Loans	100,000	0
Other Loans	15,000	0
	184,015	81,146

The Mortgages are secured by first charges on freehold properties owned by the Company

Analysis of Bank Loans

Repayable within 12 months	1995	1994
Overdraft	79,883	90,356
Repayable between 2 years and 5 years		
Bank Loans	100,000	0

YELLOW DOOR PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS AT 31st MARCH 1995

3) OPERATING PROFIT

This is stated after Charging:-

	1995	1994
	£	£
Directors Remuneration	0	0
Auditors Fees	150	235
	=====	======

4 TAXATION

Corporation Tax has been provided for at the rate of 25%

5 FIXED ASSETS

COST	Freehold Cost	Property Valuation	Total	Fixtures Fittings	Total
Cost as at 1st Apr 1994	116,492	18,508	135,000	7,335	123,827
Additions at Cost	137,423		137,423	2,384	139,807
Revaluation during year		22,924	22,924		22,924
	----------	----------	----------	----------	----------
Total at 31st Mar 95	253,915	41,432	295,347	9,719	305,066
DEPRECIATION					
As at 1st Apr 1994			0	153	153
Charge for Year			0	2,149	2,149
			----	----------	----------
			0	2,302	2,302
NET BOOK VALUE					
As at 31st Mar 1995			295,347	7,417	302,764
			======	======	======
As at 31st Mar 1994			135,000	7,182	142,182
			======	======	======

The valuation of the freehold properties has been done by independent surveyors on an open market basis and is split as follows:-

	£
Valuation dated 31st Mar 94	135,000
Valuation dated 31st Mar 95	120,000
Original Cost	40,347

	295,347
	======

YELLOW DOOR PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 1995

1) ACCOUNTING POLICIES

Basis of preparation of financial statements
The financial statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover
Turnover comprises of Rental from Property Income, Management fees from consultancy on property Development and from the Sales of Developments owned by the company.
All receipts are on a cash received basis.

Work in Progress
Work in progress is valued at the lower of cost or net realisable value if in the Directors opinion the realisable value of the property is below the total project cost.

Tangible Fixed Assets
Tangible fixed assets are stated at cost or valuation less depreciation.
No depreciation has been charged on freehold properties. This is contrary to the accepted Standard Statement of Accounting Practice and is adopted because these properties are held for investment purposes and are maintained to a sufficiently high standard to not allow any diminution in value.

Depreciation is provided at rates calculated to write off the cost of other fixed assets, less their estimated residual value, over their expected useful lives on a 25% straight line basis

2) TURNOVER

Turnover is analysed across the various activities as follows:-

	1995	1994
	£	£
Sales of Property	272,500	78,995
Consultancy Fees	0	98,504
Rental Income	27,548	7,854
	300,048	185,353

YELLOW DOOR PROPERTY COMPANY LIMITED

BALANCE SHEET AS AT 31st MARCH 1995

	notes	£	£ 1995	£	£ 1994
TANGIBLE ASSETS					
Fixed Assets	5		302,764		142,182
CURRENT ASSETS					
Work in Progress		0		119,964	
Debtors	6	88,208		20,632	
Cash at Bank		0		13,565	
			88,208		154,161
CURRENT LIABILITIES					
Creditors:Amounts falling due within one year	7		91,152		121,661
NET ASSETS less CURRENT LIABILITIES			(2,944)		174,682
Creditors : Amounts due after one year	7		184,015		81,146
NET ASSETS			115,805		93,536
CAPITAL AND RESERVES					
Share Capital	8	1,000		1,000	
Reserves	9	114,805		92,536	
Shareholders Funds			115,805		93,536

Advantage has been taken in the preparation of the accounts of the special exemptions conferred by part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

The finacial statements on pages 5 to 10 were approved by the Board of Directors on the 31st July 1994 and were signed on its behalf.The Directors consider that the company is entitled to the exemption from the requirement to have an audit under the provisions of Section 249A(2) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records with comply with Section 221 of the Companies Act 1985, and for 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 for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

....W. E. C. Hughes Director

The accompanying notes on pages 7 to 10 are an integral part of these financial statements

YELLOW DOOR PROPERTY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 1995

	Note	12 Months to 31st Mar 1995	15 Months to 31st Mar 1994
		£	£
TURNOVER	2	300,048	185,353
Cost of Sales		257,145	60,572
GROSS PROFIT		42,903	124,781
Administration Expenses		27,653	17,172
OPERATING PROFIT		15,250	107,609
Add Interest Receivable		355	
		15,605	
Interest Payable		7,825	3,161
PROFIT BEFORE TAXATION	3	7,780	104,448
TAXATION	4	2,704	25,793
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		5,076	78,655
RESERVES at 31st Mar 1994		78,655	0
RESERVES at 31st Mar 1995		83,731	78,655

Continuing Operation
In the opinion of the Directors all operations are continuing

Recognised Gains and Losses
The company has no recognised gains or losses other than as shown above

The accompanying notes on pages 7 to 10 are an integral part of these finacial statements

YELLOW DOOR PROPERTY COMPANY LIMITED

Accountant's Report to the Shareholders on the Unaudited Financial Statements
of Yellow Door Property Company Limited

We report on the financial statements for the year ended 31st March 1995 set out on pages 5 to 10

Respective responsibilities of directors and reporting accountants
As described on page 3 the companies directors are responsible for the preparation of financial statements and they consider that the company is exempt from an audit. It is our responsibility to carry out proceedures designed to enable us to report our opinion.

Basis of opinion
Our work was conducted in accordancewith the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in the opinion.

Opinion
In our opinion:

(a) the financial statements are in agreement with the accounting records kept by the company under S 221 of the Companies Act 1985;

(b)having regard only to, and on the basis of, the information contained in those accounting records:
(i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act and
(ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year as specified in Section 249A(4) of the Act and did not at any within that year fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1)

Smith Samuels & Partners
Turnpike House
3 Turpyn Court
Woughton on the Green
Milton Keynes

....

28th December 1995

4) 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 period. In preparing those 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.

Advantage has been taken in the preparation of the directors' report of the special exemptions conferred by part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the Board

W. E. C. Hughes - Secretary

23rd December 1995

YELLOW DOOR PROPERTY COMPANY LIMITED

DIRECTORS REPORT

The Directors have pleasure in presenting their Annual Report and Accounts of the Company for the year ended 31st March 1995.

1. Results and Dividends
The trading profit for the period after taxation amounted to £5,076 (1994 £78,655). The Directors do not recommend the payment of a Dividend.

2.Principal Activity and Review
The Principal Activity of the Company during the period was the development of property for rental income or resale. The Directors are of the opinion that the future prospects of the Company are satisfactory.

3. Directors and their Interests
The Directors who served during the period and their interests in the Share Capital of the Company were as follows:-

	31st March 1994	31st Mar 1995
P. M. Ashley	690	695
W. E. C. Hughes	310	165
B. W. Lamont	0	0

YELLOW DOOR PROPERTY COMPANY LIMITED

Company Information

Directors	Mr. Paul Ashley Mr. Bill Hughes Mr. Barclay Lamont
Secretary	Mr. Bill Hughes
Registered Office	31 Cumberland Close Aylesbury Buckinghamshire HP21 7HH
Reporting Accountants	Smith Samuels & Partners Turnpike House 3 Turpyn Court Woughton on the Green Milton Keynes
Bankers	National Westminster Bank plc PO Box 204 1 Hatton Gardens London EC1P 1DU
Company Number	2779638

YELLOW DOOR PROPERTY COMPANY LIMITED

REPORT AND FINANCIAL ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 1995