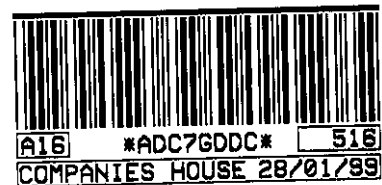


REGISTERED NUMBER: 696270

R A PRENTICE AND COMPANY LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 1998**



**CARTWRIGHTS
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts EN5 4BE**

R A PRENTICE AND COMPANY LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

Contents	Pages
Company information	1
Directors' report	2 - 3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 10
 The following pages do not form part of the statutory financial statements	
Detailed profit and loss statement	11 - 12

R A PRENTICE AND COMPANY LIMITED

**COMPANY INFORMATION
AS AT 31 MARCH 1998**

DIRECTORS

Mr R Mannell
Mrs J Mannell
Mrs J Malynn

SECRETARY

Mrs J Malynn

REGISTERED OFFICE

72a Mysore Road
London
SW11 5SA

BUSINESS ADDRESS

72a Mysore Road
London
SW11 5SA

AUDITORS

Cartwrights
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts EN5 4BE

PRINCIPAL BANKERS

Lloyds Bank plc
12/13 South Side
Clapham
London
SW4 7AD

R A PRENTICE AND COMPANY LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 March 1998.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review was that of a holding company.

REVIEW OF THE BUSINESS

The net profit after providing for taxation amounted to £210,698.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		1998	1997
Mr R Mannell	Ordinary shares	200	200
Mrs J Mannell	Ordinary shares	399	399
Mrs J Malynn	Ordinary shares	399	399
Mrs Mannell & Mrs Malynn	Ordinary shares	2	2

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 as at the end of the financial year 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;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- 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 maintaining 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company did not make any political contributions nor any charitable contributions.

CLOSE COMPANY

The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

R A PRENTICE AND COMPANY LIMITED

DIRECTORS' REPORT

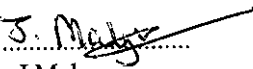
AUDITORS

The auditors, Cartwrights, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board:


.....
Mrs J Malynn
Secretary

Approved by the board: 25.1.99

R A PRENTICE AND COMPANY LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, 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 as to whether 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 affairs of the company as at 31 March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts for the financial year ended 31 March 1998.



Cartwrights
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts EN5 4BE

26 JAN 1999

Date signed:

R A PRENTICE AND COMPANY LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1998**

	Notes	1998 £	1997 £
TURNOVER		5,328	16,170
Profit on sale of fixed assets		(212,909)	-
Administrative expenses		11,528	3,502
		206,709	12,668
Other operating income		14,020	-
OPERATING PROFIT	2	220,729	12,668
Investment income and interest receivable	3	1,862	-
Interest payable and similar charges	4	(11,893)	(14,749)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		210,698	(2,081)
Tax on profit / (loss) on ordinary activities		-	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		210,698	(2,081)

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

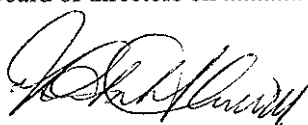
The company has no recognised gains or losses other than the profit or loss for the above two financial years.

R A PRENTICE AND COMPANY LIMITED**BALANCE SHEET
AT 31 MARCH 1998**

	Notes	£	1998 £	£	1997 £
FIXED ASSETS					
Tangible assets	5		-		211,971
Investments	6		100		100
			100		212,071
CURRENT ASSETS					
Debtors	7	170,684		70,572	
Cash at bank and in hand		78,581		-	
		249,265		70,572	
CREDITORS: amounts falling due within one year					
	8	(702)		(36,905)	
NET CURRENT ASSETS			248,563		33,667
TOTAL ASSETS LESS CURRENT LIABILITIES					
			248,663		245,738
CREDITORS: amounts falling due after more than one year					
	9		-		(112,893)
NET ASSETS			248,663		132,845
CAPITAL AND RESERVES					
Called up share capital	12		1,000		1,000
Revaluation reserve	13		-		94,880
Profit and loss account	14		247,663		36,965
TOTAL SHAREHOLDERS' FUNDS	15		248,663		132,845

Approved by the board of directors on 25.1.99 and signed on its behalf by:

Mr R Mannell



) Directors

Mrs J Mannell



)

R A PRENTICE AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

1. STATEMENT OF ACCOUNTING POLICIES

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

Consolidation

The company and its subsidiary comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

2. OPERATING PROFIT

Operating profit	1998 £	1997 £
After charging:		
Auditors' remuneration	<u>700</u>	<u>700</u>
After crediting:		
Profit on disposal of tangible assets	212,909	-
Exceptional items:		
Refund of surplus pension payments	<u>14,020</u>	<u>-</u>

3. INVESTMENT INCOME AND INTEREST RECEIVABLE

	1998 £	1997 £
Interest received and receivable		
Bank interest	<u>1,862</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	1997 £
On bank loans and overdrafts	3,600	2,332
On other loans	7,461	10,765
Lease finance charges and hire purchase interest	832	1,652
	<u>11,893</u>	<u>14,749</u>

R A PRENTICE AND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998****5. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £
Cost:	
At 1 April 1997	229,980
Disposals	(229,980)
At 31 March 1998	-
Depreciation:	
At 1 April 1997	18,009
On disposals	(18,009)
At 31 March 1998	-
Net book value:	
At 31 March 1998	-
At 31 March 1997	211,971

**1998
£**

**1997
£**

Analysis of net book value of land and buildings:

Freehold	-	211,971
----------	---	---------

6. INVESTMENTS**Cost or valuation:**

**Beginning and
end of year
£**

Other investments	100
-------------------	-----

Other investments other than loans

Shares in related undertakings:

Cost or valuation:

**Beginning and
end of year
£**

Shares:

Group undertaking	100
-------------------	-----

Net book value

100

7. DEBTORS

**1998
£**

**1997
£**

Director's current account	2,200	-
Amounts owed by group undertakings	167,968	70,556
Other debtors	516	16
	170,684	70,572

R A PRENTICE AND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

8.	CREDITORS: amounts falling due within one year	1998	1997
		£	£
	Bank loans and overdrafts	-	25,987
	Net obligations under finance leases and hire purchase contracts	-	3,834
	Other creditors	-	5,400
	Accruals and deferred income	702	1,684
		<u>702</u>	<u>36,905</u>

Bank overdrafts amounting to £- (1997 £25,987) are secured by a fixed and floating charge on all the assets of the company.

9.	CREDITORS: amounts falling due after more than one year	1998	1997
		£	£
	Loans	-	112,893

10. BORROWINGS

	1998	1997
	£	£
The company's borrowings are repayable as follows	-	31,387
Up to one year and on demand	<u>-</u>	<u>31,387</u>

11. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	1998	1997
	£	£
The company's net obligations are repayable as follows:	-	(3,834)
Included in current liabilities	<u>-</u>	<u>(3,834)</u>

12. SHARE CAPITAL

	1998	1997
	£	£
Authorised:		
Equity interests:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
Equity interests:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

RA PRENTICE AND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998****13. REVALUATION RESERVE**

	1998 £	1997 £
Balance at beginning of year	94,880	94,880
Released during the year	(94,880)	-
Balance at end of year	-	94,880

14. PROFIT AND LOSS ACCOUNT

	1998 £	1997 £
Retained profit at 1 April 1997	36,965	39,046
Profit / (loss) at 31 March 1998	210,698	(2,081)
Retained profit at 31 March 1998	247,663	36,965

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Profit / (loss) for the financial year	210,698	(2,081)
Other recognised gains and losses relating to the year	(189,760)	-
Net addition / (reduction) to shareholders' funds	20,938	(2,081)
Opening shareholders' funds	132,845	134,926
Closing shareholders' funds	153,783	132,845
Represented by:-		
Equity interests	153,783	132,845