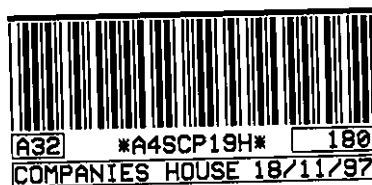


LINQUEST LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31ST MARCH 1997
COMPANY NUMBER: 988111

I. D. BOWEN & CO.,
CHARTERED ACCOUNTANTS,
GORSEINON.



AUDITOR'S REPORT TO THE DIRECTORS OF
LINQUEST LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Linquest Limited for the year ended 31st March 1997. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part III Section A of Schedule 8 to that Act in respect of the year ended 31st March 1997 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that Schedule.

On the 13th October 1997 we reported, as auditors of Linquest Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1997, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 11 which have been prepared under 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.

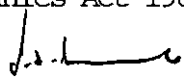
Basis of opinion

We conducted our audit in accordance with Auditing Standards. 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 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 affairs of the company as at the 31st March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985'.

I. D. BOWEN & CO., 
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS,
GORSEINON

13th October 1997

LINQUEST LIMITED

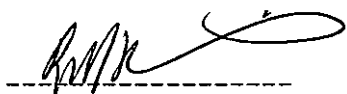
ABBREVIATED BALANCE SHEET AS AT 31ST MARCH 1997

| | Notes | 1997 | 1996 |
|---|-------|----------|----------|
| FIXED ASSETS | | | |
| Tangible Assets | (2) | 266,055 | 273,674 |
| CURRENT ASSETS | | | |
| Stock | | 500 | 250 |
| Debtors | | 6,146 | 2,024 |
| Cash at Bank and in Hand | | 29,686 | 15,485 |
| | | 36,332 | 17,759 |
| CREDITORS | | | |
| Amounts falling due within one year | (3) | 77,533 | 69,285 |
| NET CURRENT (LIABILITIES) | | (41,201) | (51,526) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 224,854 | 222,148 |
| CREDITORS | | | |
| Amounts falling after more than one year | (4) | (28,602) | (31,988) |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | |
| Deferred Taxation | | (1,306) | (1,595) |
| | | £194,946 | £188,565 |
| CAPITAL AND RESERVES | | | |
| Called up Share Capital | (5) | 10,000 | 10,000 |
| Profit and Loss Account | | 184,946 | 178,565 |
| | | £194,946 | £188,565 |

We have relied on Sections 246 and 247 of the Companies Act 1985 as entitling us to deliver abbreviated accounts on the grounds that the company is entitled to benefit from the exemptions conferred by Part III Section A of Schedule 8 to the Companies Act 1985 as a small company.

Approved by the board on the 12th October 1997 and signed on its behalf by Mr. R. M. L. Morris and Mrs. M. E. G. Morris.

DIRECTOR



SECRETARY



LINQUEST LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
AT 31ST MARCH 1997

1. ACCOUNTING POLICIES

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

(a) Accounting Convention

The financial statements set out on Pages 2 to 4 are prepared under the historical cost convention.

(b) Depreciation

Depreciation is provided to write off the cost less estimated residual values of all fixed assets, except freehold land, over their expected useful lives. Depreciation is calculated at the following rates:-

| | |
|-----------------------|-----|
| Freehold Buildings | 2% |
| Fixtures and Fittings | 15% |
| Motor Vehicles | 25% |

(c) Turnover

Turnover represents sales less allowances and Value Added Tax.

(d) Stocks

Stocks represent the Directors' best estimates of heating fuel on hand at the year end.

(e) Pension Costs

The Company operates a defined contribution scheme providing benefits for certain directors additional to those provided from the State. The pension cost charge represents contributions payable by the Company to the fund in respect of the year.

(f) Deferred Taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

LINQUEST LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
AT 31ST MARCH 1997

2. TANGIBLE ASSETS

| Cost or Valuation | Motel Land and Building | Self Catering Land and Building | Free- hold Property | Motor Vehicles | Fixtures and Fittings | Total |
|--------------------------------------|-------------------------------|--|---------------------------|-------------------|-----------------------------|---------|
| At 1st April 1996 | 51,204 | 149,048 | 132,743 | 2,041 | 76,428 | 411,464 |
| Additions | - | - | - | - | 1,066 | 1,066 |
| Disposals | - | - | - | (2,041) | - | (2,041) |
| At 31st March 1997 | 51,204 | 149,048 | 132,743 | - | 77,494 | 410,489 |
| Depreciation | | | | | | |
| At 1st April 1996 | 16,998 | 49,447 | 5,310 | 2,040 | 63,995 | 137,790 |
| Provided for the Year | 1,024 | 2,981 | 2,655 | - | 2,024 | 8,684 |
| Disposals | - | - | - | (2,040) | - | (2,040) |
| At 31st March 1997 | 18,022 | 52,428 | 7,965 | - | 66,019 | 144,434 |
| Net Book Value at 31st March 1997 | £33,182 | 96,620 | 124,778 | - | 11,475 | 266,055 |
| Net Book Value at 31st March 1996 | £34,206 | 99,601 | 127,433 | 1 | 12,433 | 273,674 |

| | | |
|--|---------|---------|
| 3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 1997 | 1996 |
| Corporation Tax | 3,222 | 2,481 |
| Other Taxes and Social Security Costs | 8,249 | 8,422 |
| Trade and Other Creditors | 62,677 | 54,957 |
| Bank Loans | 3,385 | 3,425 |
| | £77,533 | £69,285 |
| 4. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 1997 | 1996 |
| Between One and Two Years | 3,734 | 3,732 |
| Between Two and Four Years | 13,679 | 13,323 |
| In Five Years or More | 11,189 | 14,933 |
| | £28,602 | £31,988 |

The loans are repayable in monthly instalments of £533 over ten years and interest rates are between 2.75% and 3% over the bank base rate.

5. SHARE CAPITAL

| | Authorised No | | Allotted, Called Up and Fully Paid | |
|----------------------------|---------------|--------|---------------------------------------|--------|
| | 1997 | 1996 | 1997 | 1996 |
| | | | £ | £ |
| Ordinary Shares of £1 each | 10,000 | 10,000 | 10,000 | 10,000 |

LINQUEST LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 31ST MARCH 1997

6. RELATED PARTY TRANSACTIONS

During the year the Company advanced a loan of £3,100 to Jamson Estates Limited a Company in which all the directors are materially interested as shareholders. The amount outstanding at the 31st March 1997 was £3,100 and is included in other debtors. No interest is payable on the loan.