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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1996
FOR
AYRTON CONSTRUCTION LIMITED



COMPANY INFORMATION

DIRECTORS: G.J.AYRTON-GRIME
P.AYRTON-GRIME

SECRETARY: G.J.AYRTON-GRIME

REGISTERED OFFICE: 109 DAWES ROAD
LONDON
SW6 7DU

REGISTERED NUMBER: 2235366

AUDITOR: CLARKS CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
CIPPENHAM COURT
CIPPENHAM LANE
SLOUGH
BERKSHIRE
SL1 5AT

REPORT OF THE DIRECTORS

The directors present their report with the financial statements of the company for the year ended 31 March 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a property development contractor.

DIRECTORS

The directors of the company in office during the year were as follows:

G.J.AYRTON-GRIME

P.AYRTON-GRIME

No directors held any beneficial interest in the issued share capital of the company at 1 April 1995 or 31 March 1996.

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 judgments 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.

AUDITOR

The auditor, CLARKS CHARTERED ACCOUNTANTS, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

In preparing this report, the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

ON BEHALF OF THE BOARD:


G.J.AYRTON-GRIME - Secretary

Dated: 13 September 1996

REPORT OF THE AUDITOR TO THE SHAREHOLDERS OF
AYRTON CONSTRUCTION LIMITED

We have audited the financial statements on pages four to ten which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditor

As described on page two 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 judgments 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 the company's affairs as at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



CLARKS CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
CIPPENHAM COURT
CIPPENHAM LANE
SLOUGH
BERKSHIRE
SL1 5AT

Dated: 13 September 1996

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 1996

		31. 3.96	31. 3.95
	Notes	£	£
TURNOVER	2	467,909	470,511
Cost of Sales		345,866	347,735
		-----	-----
GROSS PROFIT		122,043	122,776
Distribution Costs		10,936	12,852
Administrative Expenses		97,575	68,361
		-----	-----
		108,511	81,213
		-----	-----
		13,532	41,563
Other Operating Income	3	-	20,300
		-----	-----
OPERATING PROFIT	4	13,532	61,863
Interest Payable and Similar Charges		4,130	3,035
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9,402	58,828
Tax on Profit on Ordinary Activities	5	4,073	8,870
		-----	-----
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		5,329	49,958
Retained Profit/(Deficit) brought forward		2,270	(47,688)
		-----	-----
RETAINED PROFIT CARRIED FORWARD		£7,599	£2,270
		=====	=====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

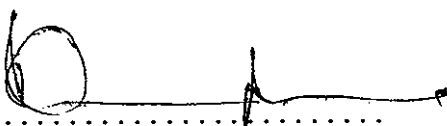
BALANCE SHEET
As at 31 March 1996

		31. 3.96	31. 3.95
	Notes	£	£
FIXED ASSETS:			
Tangible Assets	6	32,203	39,864
CURRENT ASSETS:			
Debtors	7	72,841	51,989
Cash In Hand		2,021	82
		-----	-----
		74,862	52,071
CREDITORS: Amounts falling due within one year	8	92,032	74,898
		-----	-----
NET CURRENT LIABILITIES:		(17,170)	(22,827)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES:		15,033	17,037
CREDITORS: Amounts falling due after more than one year	9	7,334	14,667
		-----	-----
		£7,699	£2,370
		=====	=====
CAPITAL AND RESERVES:			
Called Up Share Capital	11	100	100
Profit & Loss Account		7,599	2,270
		-----	-----
Shareholders' Funds	13	£7,699	£2,370
		=====	=====

In preparing these financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
G. AYRTON-GRIME - DIRECTOR


.....
P. AYRTON-GRIME - DIRECTOR

Approved by the Board on 13 September 1996

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1996

1. ACCOUNTING POLICIES

Accounting Convention

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

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant & Machinery etc - 15% - 20% on reducing balance

Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire Purchase and Leasing Commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1996

3. OTHER OPERATING INCOME

31. 3.96	31. 3.95
£	£
-	20,300
=====	=====

4. OPERATING PROFIT

The operating profit is stated after charging:

	31. 3.96	31. 3.95
	£	£
Depreciation - Owned Assets	1,961	2,382
Depreciation - Assets on Hire Purchase or Finance Leases	5,700	1,500
Auditors' Remuneration	3,632	3,303
	=====	=====
Directors' Emoluments	-	-
	=====	=====

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31. 3.96	31. 3.95
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax	4,073	8,870
	=====	=====

UK Corporation Tax has been charged at 25% (1995 - 25%).

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1996

6. TANGIBLE FIXED ASSETS

	Plant & Machinery etc ----- £
COST:	
As at 1 April 1995	
and 31 March 1996	60,240

DEPRECIATION:	
As at 1 April 1995	20,376
Charge for Year	7,661

As at 31 March 1996	28,037

NET BOOK VALUE:	
As at 31 March 1996	£32,203
	=====
As at 31 March 1995	£39,864
	=====

Fixed assets, included in the above, which are held under hire purchase or finance leases are as follows:

	Plant & Machinery etc ----- £
COST:	
As at 1 April 1995	
and 31 March 1996	30,000

DEPRECIATION:	
As at 1 April 1995	1,500
Charge for Year	5,700

As at 31 March 1996	7,200

NET BOOK VALUE:	
As at 31 March 1996	£22,800
	=====
As at 31 March 1995	£28,500
	=====

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1996

7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

31. 3.96	31. 3.95
£	£
Trade Debtors	5,583
Other Debtors	-
Prepayments & Accrued Income	599
Due From Group Undertakings	66,659
-----	-----
72,841	51,989
=====	=====

8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

31. 3.96	31. 3.95
£	£
Bank Loans and Overdrafts (See Note 10)	53,735
Trade Creditors	14,004
Hire Purchase	8,000
Other Taxes & PAYE	7,145
Taxation	4,073
Accrued Expenses	5,075
-----	-----
92,032	74,898
=====	=====

9. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

31. 3.96	31. 3.95
£	£
Hire Purchase	7,334
-----	-----
7,334	14,667
=====	=====

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

31. 3.96	31. 3.95
£	£
Amounts falling due within one year or on demand:	
Bank Overdrafts (Secured)	53,735
-----	-----
53,735	33,980
=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1996

11. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal Value:	31. 3.96	31. 3.95
		£	£	
100,000	Ordinary	£1	100,000	100,000
			=====	=====

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	31. 3.96	31. 3.95
		£	£	
100	Ordinary	£1	100	100
			=====	=====

12. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Ascot Finance (UK) Limited, a company incorporated in England and Wales.

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31. 3.96	31. 3.95
	£	£
Profit for the Financial Year	5,329	49,958
	-----	-----
NET ADDITION TO SHAREHOLDERS' FUNDS	5,329	49,958
Opening Shareholders' Funds	2,370	(47,588)
	-----	-----
CLOSING SHAREHOLDERS' FUNDS	7,699	2,370
	=====	=====
Equity interests	7,699	2,370
	=====	=====