

ASTORMILE LIMITED**Directors:**

Miss K S Sperring
Mrs L S Davis
Miss L Scott
Miss A S Kirk

A J Taylor (appointed 5th May 1998)
J K Nunn (resigned 24th November 1998)
T J Monger (resigned 12th January 1999)

Secretary and Registered Office

E D McCloud, 22b High Street, Witney, Oxon, OX8 6HB

REPORT OF THE DIRECTORS
for the year ended 25th December 1998

Principal Activity

The principal activity of the company remains the management and administration of real estate on behalf of its shareholders.

Directors

The above named served as directors during the year. The shareholdings of the Directors during the year were as follows:

	Ordinary shares of £1 each			
	25-12-98	25-12-97		25-12-97
Miss K S Sperring	1	1	A J Taylor	1
Mrs S L Davis	1	1	J K Nunn	-
Miss L Scott	1	1	T J Monger	1
Miss A S Kirk	1	1		1

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;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- 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.

Auditors

The Auditors, A J Carter & Co, Chartered Accountants, have indicated their willingness to be re-elected to office under Section 385 of the Companies Act 1985.

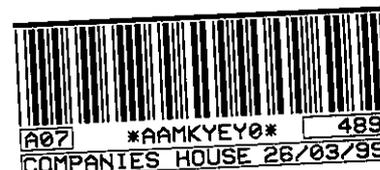
The directors have prepared this report in accordance with the special provisions of Part VII of the Companies Act 1995 relating to small companies.

By Order of the Board

E D McCloud

Secretary

Witney, Oxon
5th February 1999



AUDITORS' REPORT
to the Shareholders of Astormile Limited

We have audited the financial statements on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 1, 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 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 25th December 1998 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Chartered Accountants
and Registered Auditors

A J Carter & Co
22b High Street
WITNEY
Oxon
OX8 6HB

5th February 1999

ASTORMILE LIMITED

3.

**PROFIT AND LOSS ACCOUNT
for the year ended 25th December 1998**

Notes	£	1997 £
2. TURNOVER	14,860	13,320
Establishment costs	(4,953)	(5,002)
Administrative expenses	<u>(3,326)</u>	<u>(3,198)</u>
3. OPERATING SURPLUS	6,581	5,120
4. Other income	<u>408</u>	<u>215</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	6,989	5,335
5. TAXATION	<u>(86)</u>	<u>(47)</u>
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	6,903	5,288
RETAINED PROFITS brought forward	<u>12,074</u>	<u>6,786</u>
RETAINED PROFITS carried forward	<u>£18,977</u>	<u>£12,074</u>

There were no recognised gains or losses other than those included in the profit and loss account.

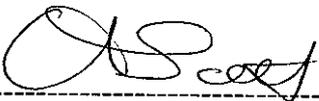
The notes on pages 5 and 6 form part of these financial statements.

ASTORMILE LIMITED

4.

BALANCE SHEET	25th December 1998		1997
Notes	£	£	£
CURRENT ASSETS			
Debtors		1,060	435
Cash and Bank balances		<u>19,241</u>	<u>12,740</u>
		20,301	<u>13,175</u>
CURRENT LIABILITIES			
Creditors and accruals	1,207		1,023
5. Taxation	<u>86</u>		<u>47</u>
		<u>1,293</u>	<u>1,070</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£19,008</u>	<u>£12,105</u>
CAPITAL AND RESERVES			
6. Called up share capital		31	31
Profit and loss account		<u>18,977</u>	<u>12,074</u>
Shareholders' funds		<u>£19,008</u>	<u>£12,105</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and with the Financial Reporting Standard for Smaller Entities.


16/3/99
 ----- Director

Approved 5th February 1999

The notes on pages 5 and 6 form part of these financial statements.

**NOTES TO THE ACCOUNTS
for the year ended 25th December 1998**

1. Accounting Policies

i) Accounting Convention -

The accounts of the company are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

ii) Cash Flow Statement -

The company qualifies as a small company within the meaning of Section 247 of the Companies Act 1985 and is therefore exempted from the requirement to prepare a cash flow statement.

iii) Taxation -

The company's dealings are mainly with its members and the only income currently to fall within the scope of Corporation Tax is the interest earned on the bank deposit account. The company provides for Corporation Tax at a rate of 21% based on the deposit interest received in the year.

iv) Turnover -

The turnover represents maintenance levied on each of the 28 flats that are part of the development at Chincham. The company is not registered for VAT.

2. Turnover

The turnover and surplus before taxation is attributable to the one principal activity of the company. The turnover all arose from the United Kingdom.

3. Operating Surplus

The operating surplus is after charging Auditors' remuneration of £353 (1997 - £353).

4. Other Income	1998	1997
Bank Deposit interest received	<u>£408</u>	<u>£215</u>

ASTORMILE LIMITED

6.

**NOTES TO THE ACCOUNTS
for the year ended 25th December 1998 (continued)**

5. Taxation

a)	Charge for the year	1998	1997
	Corporation tax - current year	<u>£ 86</u>	<u>£ 47</u>
b)	Corporation tax has been provided at a rate of 21% (1997 - 24% and 21%) based on the bank deposit interest received in the year.		

6. Called up Share Capital

	1998	1997
Authorised:	£	£
100 Ordinary Shares of £1 each	100	100
Allotted, Issued and Fully Paid:		
31 Ordinary Shares of £1 each	31	31