

Clayside Property Investments Limited

Directors' Report and Financial

Statements

for the year ended 31 March 1995



Company No : 529958 (England and Wales)

Clayside Property Investments Limited

Company Information

Directors	M D Jacobson Mrs A B Jacobson Mrs I R Jacobson
Secretary	W E Fawell
Company Number	529958 (England and Wales)
Registered Office	7 - 15 Pink Lane Newcastle upon Tyne NE1 5HT
Auditors	Haines Watts Registered Auditors and Chartered Accountants Sterling House 3 Osborne Terrace Jesmond Newcastle upon Tyne NE2 1QD

Clayside Property Investments Limited

Contents

	Page
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 9

Clayside Property Investments Limited

Directors' Report for the year ended 31 March 1995

The directors present their report and the financial statements for the year ended 31 March 1995.

Principal Activities

The company's principal activity continues to be that of ownership of investment properties for lease or rent.

Directors

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	Number of shares	
	31 March 1995	31 March 1994
Malcolm D Jacobson		
Beneficial	1,693	1,693
Non-beneficial	663	663
Mrs A B Jacobson		
Non-beneficial	400	400
Mrs I R Jacobson		
Non-beneficial	1,257	1,257
Beneficial	615	615
	4,628	4,628
Less: Duplicated (see note below)	400	400
	4,228	4,228

Where more than one director is a trustee, the shareholding of that trust is included in the total interest of each director who is a trustee.

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 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.

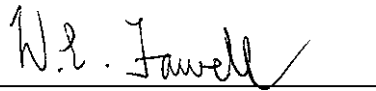
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Clayside Property Investments Limited**Directors' Report
for the year ended 31 March 1995****Auditors**

The auditors, Haines Watts, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 25 January 1995.

This report was approved by the board on 31 August 1995, taking advantage of special exemptions available to small companies, conferred by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the board of directors,

A handwritten signature in dark ink, appearing to read 'W. E. Fawell', is written over a horizontal line.

W E Fawell
Secretary

Clayside Property Investments Limited**Auditors' Report
to the Shareholders of Clayside Property Investments Limited**

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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.

Qualified opinion arising from disagreement about accounting treatment

As more fully explained in note 5 the company's investment properties are stated at cost instead of being revalued to market value as required by Statement of Standard Accounting Practice No. 19.

Except for the failure to account for investment properties in accordance with SSAP 19 and the subsequent adjustments thereon, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1995 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.

Haines Watts

**Haines Watts
Registered Auditors and
Chartered Accountants
Sterling House
3 Osborne Terrace
Jesmond
Newcastle Upon Tyne
NE2 1QD**

Date: 31 August 1995

Clayside Property Investments Limited

Profit and Loss Account
for the year ended 31 March 1995

	Note	<u>1995</u> £	<u>1994</u> £
Turnover		527,220	499,217
Administrative expenses		(124,375)	(94,120)
Other operating income		42,305	47,193
Operating profit	2	<u>445,150</u>	<u>452,290</u>
Investment income		-	3,534
Profit on disposal of investment		23,137	-
Profit on ordinary activities before taxation	6	<u>468,287</u>	<u>455,824</u>
Taxation	3	(140,256)	(154,770)
Profit on ordinary activities after taxation		<u>328,031</u>	<u>301,054</u>
Dividends	4	(152,766)	(146,124)
Retained profit for the year	11	<u><u>175,265</u></u>	<u><u>154,930</u></u>

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

The notes on pages 6 to 9 form part of these financial statements

Clayside Property Investments Limited

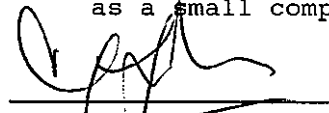
Balance Sheet
as at 31 March 1995

	Note	£	<u>1995</u>	£	£	<u>1994</u>	£
Fixed assets							
Tangible assets	5		1,494,329			1,495,048	
Investments	6		100			16,100	
			<u>1,494,429</u>			<u>1,511,148</u>	
Current assets							
Debtors	7	46,561		67,776			
Investments	8	840,745		640,210			
Cash at bank and in hand		25,414		17,250			
			<u>912,720</u>		<u>725,236</u>		
Creditors: amounts falling due within one year	9	280,100		284,600			
			<u>632,620</u>		<u>440,636</u>		
Net current assets							
			<u>2,127,049</u>		<u>1,951,784</u>		
Total assets less current liabilities							
Capital and reserves							
Called up share capital	10	4,428		4,428			
Share premium account		116,552		116,552			
Capital reserve	14	530,710		507,573			
Profit and loss account	11	1,475,359		1,323,231			
Shareholders' funds	12	2,127,049		1,951,784			

Approved by the board of directors on 31 August 1995 and signed on its behalf.

In preparing these financial statements :

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.


M D Jacobson
Director

The notes on pages 6 to 9 form part of these financial statements

Clayside Property Investments Limited

Notes to the financial statements
for the year ended 31 March 1995

1. Accounting Policies

1.1 Basis of preparation of accounts

The financial statements 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.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents gross rents receivable during the year.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	- 33 1/3% straight line basis
Motor vehicles	- 25 % reducing balance basis

In accordance with the provisions of Statement of Standard Accounting Practice 19 no provision is made for depreciation in respect of the investment properties.

1.4 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.5 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Operating profit

The operating profit is stated after charging/(crediting):

	<u>1995</u>	<u>1994</u>
	£	£
Pension costs	3,615	5,810
Depreciation of tangible fixed assets	1,893	2,602
Auditors' remuneration	2,350	2,350
Directors' remuneration	31,609	31,295
Investment income from unlisted investments	-	(3,534)
Interest receivable on bank and short term investments	(42,305)	(47,193)
	<u> </u>	<u> </u>

Clayside Property Investments Limited

Notes to the financial statements
for the year ended 31 March 1995

3. Taxation

	<u>1995</u> £	<u>1994</u> £
UK current year taxation		
UK corporation taxation at 33% (1994-33%)	144,000	155,000
Tax on franked investment income	-	795
Transfer from deferred taxation	-	(114)
Prior years		
UK corporation tax	(3,744)	(911)
	<u>140,256</u>	<u>154,770</u>

4. Dividends

	<u>1995</u> £	<u>1994</u> £
Interim paid	53,136	53,136
Final proposed	99,630	92,988
	<u>152,766</u>	<u>146,124</u>

5. Tangible fixed assets

Cost	Motor Vehicles £	Office Equipment £	Freehold Property £	Total £
At 1 April 1994	14,268	1,751	1,489,041	1,505,060
Additions	-	1,174	-	1,174
At 31 March 1995	<u>14,268</u>	<u>2,925</u>	<u>1,489,041</u>	<u>1,506,234</u>
Depreciation				
At 1 April 1994	8,261	1,751	-	10,012
Charge for the year	1,502	391	-	1,893
At 31 March 1995	<u>9,763</u>	<u>2,142</u>	<u>-</u>	<u>11,905</u>
Net book value				
At 31 March 1995	<u>4,505</u>	<u>783</u>	<u>1,489,041</u>	<u>1,494,329</u>
At 31 March 1994	<u>6,007</u>	<u>-</u>	<u>1,489,041</u>	<u>1,495,048</u>

No independent valuation of the freehold property has been obtained since the cost of doing so would be excessive. The directors are not qualified to undertake such a valuation.

Clayside Property Investments Limited

Notes to the financial statements
for the year ended 31 March 1995

6. Fixed asset investments

	<u>1995</u>	<u>1994</u>
	£	£
Unlisted shares at cost	59,293	59,293
Less: provision for diminution in value	(43,293)	(43,293)
sale of shares	(16,000)	-
	<u>-</u>	<u>16,000</u>
Directors' valuation of unlisted shares	16,000	16,000
Interest in subsidiary	100	100
Less: sale of unlisted shares	(16,000)	-
	<u>100</u>	<u>16,100</u>

The subsidiary company, Montagu Properties Limited, registered in England, had not commenced trading as at 31 March 1995. Group accounts have not been prepared as, in the opinion of the directors, they would be of no real value to members in view of the insignificant amount involved.

7. Debtors - due within one year

	<u>1995</u>	<u>1994</u>
	£	£
Sundry Debtors	2,000	-
Prepayments and Accrued Income	44,561	67,776
	<u>46,561</u>	<u>67,776</u>

8. Current asset investments

	<u>1995</u>	<u>1994</u>
	£	£
Short term bank and building society deposit accounts	840,745	640,210

9. Creditors - amounts falling due within one year

	<u>1995</u>	<u>1994</u>
	£	£
Corporation Tax	120,753	128,003
Other Taxation and Social Security	5,795	5,843
Dividends	99,630	92,988
Accruals and Deferred Income	53,922	57,766
	<u>280,100</u>	<u>284,600</u>

Clayside Property Investments Limited

Notes to the financial statements
for the year ended 31 March 1995

10. Called up share capital

	<u>1995</u>	<u>1994</u>
	£	£
Authorised		
Ordinary shares of £1 each	4,500	4,500
	<u> </u>	<u> </u>
Allotted		
Ordinary shares of £1 each, fully paid	4,428	4,428
	<u> </u>	<u> </u>

11. Profit and loss account

	<u>1995</u>	<u>1994</u>
	£	£
Balance at 1 April 1994	1,323,231	1,168,301
Retained profit for the year	175,265	154,930
Transfer to Capital Reserve	(23,137)	-
	<u> </u>	<u> </u>
Balance at 31 March 1995	1,475,359	1,323,231
	<u> </u>	<u> </u>

12. Reconciliation of movement in shareholders' funds

	<u>1995</u>	<u>1994</u>
	£	£
Profit for the year	328,031	301,054
Dividends	(152,766)	(146,124)
	<u> </u>	<u> </u>
	175,265	154,930
Shareholders' funds at 1 April 1994	1,951,784	1,796,854
	<u> </u>	<u> </u>
Shareholders' funds at 31 March 1995	2,127,049	1,951,784
	<u> </u>	<u> </u>

13. Capital commitments

There were no capital commitments authorised or contracted for as at 31 March 1995 or 31 March 1994.

14. Capital reserves

	<u>1995</u>
	£
Balance at 1 April 1994	507,573
Profit on disposal of investment	23,137
	<u> </u>
Balance at 31 March 1995	530,710
	<u> </u>