

**WINCHBOURNE LIMITED**

Company No: 807607

**FINANCIAL STATEMENTS**

for the year ended

**30 JUNE 1997**

**COHEN ARNOLD & CO  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITOR  
LONDON W1X 2JP**



**WINCHBOURNE LIMITED**

**DIRECTORS**

Abraham Gluck  
Harold Gluck

**SECRETARY**

Abraham Gluck

**REGISTERED OFFICE**

13-17 New Burlington Place  
Regent Street  
LONDON W1X 2JP

**AUDITORS**

Cohen Arnold & Co  
13-17 New Burlington Place  
Regent Street  
LONDON W1X 2JP

**WINCHBOURNE LIMITED**

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**FOR THE YEAR ENDED 30 JUNE 1997**

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# **WINCHBOURNE LIMITED**

## **DIRECTORS' REPORT**

The Directors have pleasure in presenting their Annual Report together with the audited Financial Statements of the Company for the year ended 30 June 1997.

### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The principal activity of the Company is property investment which remained unchanged during the year and no change is envisaged in the immediate future.

### **RESULTS AND DIVIDEND**

The financial results of the Company's activities for the year ended 30 June 1997, are fully reflected in the attached Financial Statements together with the Notes thereon.

The directors do not recommend the payment of a dividend for the year under review.

### **FIXED ASSETS**

The movements in Fixed Assets are fully reflected in Note 7 to the Financial Statements.

### **LAND AND BUILDINGS**

The company's investment properties are included in the Balance Sheet at directors valuation.

### **DIRECTORS AND THEIR INTEREST IN SHARE CAPITAL**

The Directors who served during the year and their interests in the Share Capital of the Company are as follows:

|                  | <b>Number of Ordinary Shares</b> |             |
|------------------|----------------------------------|-------------|
|                  | <b>1997</b>                      | <b>1996</b> |
| Mr Abraham Gluck | 35                               | 35          |
| Mr Harold Gluck  | 20                               | 20          |

The Articles of Association do not require Directors to retire by rotation.

No Director has a Service Contract with the Company.

### **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 its profit or loss for that period. In preparing the Financial Statements, the Directors are required to:

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent

# **WINCHBOURNE LIMITED**

## **DIRECTORS' REPORT**

### **DIRECTORS' RESPONSIBILITIES (Continued)**

- iii) follow applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements
- iv) 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.

### **DONATIONS**

During the year the Company made a charitable donation under Gift Aid of £7,792 (gross) (1996:£9,211). No political contributions were made.

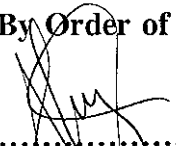
### **CLOSE COMPANY**

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

### **AUDITORS**

The auditors, Cohen, Arnold & Co are willing to continue in office. A resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the board to fix their remuneration will be proposed at the Annual General Meeting.

**By Order of the Board**

  
.....  
**A Gluck - Secretary**  
  
..... 199..7

**WINCHBOURNE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 1997**

|                                                          | Notes | <u>1997</u><br>£ | <u>1996</u><br>£ |
|----------------------------------------------------------|-------|------------------|------------------|
| Net Rental Income                                        |       | 25,688           | 29,319           |
| Administrative and Other Expenses                        | 4     | (14,077)         | (13,824)         |
|                                                          |       | <hr/>            | <hr/>            |
| <b>OPERATING PROFIT</b>                                  |       | 11,611           | 15,495           |
| Interest Payable                                         | 5     | (655)            | (495)            |
|                                                          |       | <hr/>            | <hr/>            |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | 10,956           | 15,000           |
| Taxation                                                 | 6     | (1,602)          | (3,185)          |
|                                                          |       | <hr/>            | <hr/>            |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>AFTER TAXATION</b>  |       | 9,354            | 11,815           |
| Retained Profit Brought Forward                          |       | 44,747           | 32,932           |
|                                                          |       | <hr/>            | <hr/>            |
| <b>RETAINED PROFIT CARRIED FORWARD</b>                   |       | £54,101          | £44,747          |
|                                                          |       | <hr/>            | <hr/>            |

None of the Company's activities was acquired or discontinued during the financial year nor in the previous year.

The Company has no recognised gains or losses other than those reflected in the above Profit and Loss Account for the financial year nor for the previous year.

The notes on pages 6 to 10 form part of these Financial Statements.

**WINCHBOURNE LIMITED**

**BALANCE SHEET AS AT 30 JUNE 1997**

|                                                       | Notes | <u>1997</u> | <u>1996</u> |
|-------------------------------------------------------|-------|-------------|-------------|
|                                                       |       | £           | £           |
| <b>FIXED ASSETS</b>                                   |       |             |             |
| Tangible Assets                                       | 7     | 508,260     | 395,354     |
| <b>CURRENT ASSETS</b>                                 |       |             |             |
| Debtors                                               | 8     | 9,688       | 2,688       |
| Cash at Bank                                          |       | 3,337       | 4,177       |
|                                                       |       | 13,025      | 6,865       |
| <b>CREDITORS:</b> Amounts falling due within one year | 9     | (21,584)    | (25,568)    |
| <b>NET CURRENT LIABILITIES</b>                        |       | (8,559)     | (18,703)    |
|                                                       |       | £499,701    | £376,651    |
|                                                       |       | £499,701    | £376,651    |
| <b>CAPITAL AND RESERVES</b>                           |       |             |             |
| Called up Share Capital                               | 10    | 100         | 100         |
| Profit and Loss Account                               |       | 54,101      | 44,747      |
| Other Reserves                                        | 11    | 445,500     | 331,804     |
|                                                       |       | £499,701    | £376,651    |

The immediately following page forms an integral part of this Balance Sheet

**WINCHBOURNE LIMITED**

**BALANCE SHEET AS AT 30 JUNE 1997**

The Directors confirm that for the year ended 30 June 1997 the Company is entitled to exemption from audit under the provisions of Section 249A (1) Companies Act 1985 (the Act) and that no member or members have requested an audit pursuant to the provisions of Section 249B (2) of the Act.

The Directors acknowledge their responsibilities for ensuring that the Company maintains accounting records which comply with Section 221 of the Act and for preparing Accounts which give a true and fair view of the state of affairs of the Company at the end of its Financial Period and of its results for the Financial Period in accordance with the provisions of Section 226 of the Act and which otherwise comply with the requirements of the Act relating to Financial Statements.

The Financial Statements were approved by the Board on 9th Sept 1997  
and signed on its behalf by

  
.....  
**A GLUCK**

**DIRECTORS**

  
.....  
**H GLUCK**

The notes on pages 6 to 10 form part of these Financial Statements.

**WINCHBOURNE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in the preparation of the Company's Financial Statements.

**1.1 BASIS OF ACCOUNTING**

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

**1.2 INVESTMENT PROPERTIES**

Investment properties are included in the balance sheet at directors valuation which is in accordance with Statement of Standard Accounting Practice No.19, which requires such properties to be stated at their open market value.

**1.3 DEPRECIATION**

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation or amortisation is provided in respect of Freehold investment properties nor on Leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the Directors consider that this Accounting Policy results in the Financial Statements giving a true and fair view.

Leases having an unexpired term of less than twenty years are amortised evenly over the remaining period of the lease.

Items of furniture and fittings are capitalised in the year in which they are acquired and depreciated at the rate of 25% per annum to write off their value over their anticipated useful life.

**1.4 ACQUISITIONS AND DISPOSALS OF PROPERTIES**

Acquisitions and Disposals are considered to have taken place at the date of legal completion and are included in the Financial Statements accordingly.

**1.5 CASH FLOW STATEMENT**

The Company is exempted from the requirement to prepare a Cash Flow Statement (in accordance with Financial Reporting Standard No 1) on the basis of its being a "small company" as defined by Section 247 Companies Act 1985.

**WINCHBOURNE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

**2. FORMAT OF FINANCIAL STATEMENTS**

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the Directors consider to be appropriate having regard to the nature of the Company's activities.

**3. TURNOVER AND NET RENTAL INCOME**

The Turnover of the Company is represented by Rents and Charges Received in respect of its Investment Properties.

The Net Rental Income is as comprised as follows:

|                              | <b><u>1997</u></b><br>£ | <b><u>1996</u></b><br>£ |
|------------------------------|-------------------------|-------------------------|
| Rents and Charges Receivable | 42,221                  | 37,514                  |
| Property Outgoings           | (16,533)                | (8,195)                 |
|                              | <hr/>                   | <hr/>                   |
|                              | £25,688                 | £29,319                 |
|                              | <hr/>                   | <hr/>                   |

**4. ADMINISTRATIVE AND OTHER EXPENSES**

|                        | <b><u>1997</u></b><br>£ | <b><u>1996</u></b><br>£ |
|------------------------|-------------------------|-------------------------|
| Directors Remuneration | 3,896                   | 3,420                   |
| Auditors' Remuneration | 2,350                   | 1,175                   |
| General Expenses       | 39                      | 18                      |
| Gift Aid Payment       | 7,792                   | 9,211                   |
|                        | <hr/>                   | <hr/>                   |
|                        | £14,077                 | £13,824                 |
|                        | <hr/>                   | <hr/>                   |

**WINCHBOURNE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

**5. INTEREST PAYABLE**

|                                    | <b><u>1997</u></b> | <b><u>1996</u></b> |
|------------------------------------|--------------------|--------------------|
|                                    | <b>£</b>           | <b>£</b>           |
| On loans repayable within 5 years: |                    |                    |
| Bank Loans and Overdrafts          | 655                | 495                |
|                                    | <hr/>              | <hr/>              |
|                                    | £655               | £495               |
|                                    | <hr/>              | <hr/>              |

**6. TAXATION**

|                                           | <b><u>1997</u></b> | <b><u>1996</u></b> |
|-------------------------------------------|--------------------|--------------------|
|                                           | <b>£</b>           | <b>£</b>           |
| Taxation based on the profit for the year |                    |                    |
| Corporation Tax at 25%                    | 2,262              | 3,935              |
| Prior Year Adjustment                     | (660)              | (750)              |
|                                           | <hr/>              | <hr/>              |
|                                           | £1,602             | £3,185             |
|                                           | <hr/>              | <hr/>              |

**7. TANGIBLE FIXED ASSETS**

|                               | <b><u>Freehold</u></b> | <b><u>Furniture</u></b> |                     |
|-------------------------------|------------------------|-------------------------|---------------------|
|                               | <b>£</b>               | <b>&amp; Fittings</b>   | <b><u>Total</u></b> |
|                               |                        | <b>£</b>                | <b>£</b>            |
| <b>Investment Properties</b>  |                        |                         |                     |
| <b>- at Cost or Valuation</b> |                        |                         |                     |
| At 1 July 1996                | 385,000                | 20,334                  | 405,334             |
| Increase in Value             | 113,696                | -                       | 113,696             |
| Additions                     | 1,304                  | 659                     | 1,963               |
|                               | <hr/>                  | <hr/>                   | <hr/>               |
| At 30 June 1997               | 500,000                | 20,993                  | 520,993             |
|                               | <hr/>                  | <hr/>                   | <hr/>               |

**WINCHBOURNE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

**7. TANGIBLE FIXED ASSETS (Continued)**

|                        | <b><u>Freehold</u></b><br>£ | <b><u>Furniture<br/>&amp; Fittings</u></b><br>£ | <b><u>Total</u></b><br>£ |
|------------------------|-----------------------------|-------------------------------------------------|--------------------------|
| <b>Depreciation:</b>   |                             |                                                 |                          |
| At 1 July 1996         | -                           | 9,980                                           | 9,980                    |
| Charge for the Year    | -                           | 2,753                                           | 2,753                    |
|                        | <hr/>                       | <hr/>                                           | <hr/>                    |
|                        | -                           | 12,733                                          | 12,733                   |
|                        | <hr/>                       | <hr/>                                           | <hr/>                    |
| <b>Net Book Value:</b> |                             |                                                 |                          |
| At 30 June 1997        | £500,000                    | £8,260                                          | £508,260                 |
|                        | <hr/>                       | <hr/>                                           | <hr/>                    |
| At 30 June 1996        | £385,000                    | £10,354                                         | £395,354                 |
|                        | <hr/>                       | <hr/>                                           | <hr/>                    |

In accordance with the company's stated accounting policy (see note 1.3) no depreciation has been provided in respect of freehold or long-leasehold properties which are held for investment purposes.

The historical cost of the properties is £54,500. (1996 : £53,196)

**8. DEBTORS**

|                | <b><u>1997</u></b> | <b><u>1996</u></b> |
|----------------|--------------------|--------------------|
|                | £                  | £                  |
| Loan Debtors   | 7,000              | -                  |
| Sundry Debtors | 2,688              | 2,688              |
|                | <hr/>              | <hr/>              |
|                | £9,688             | £2,688             |
|                | <hr/>              | <hr/>              |

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 1997**

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                              | <b><u>1997</u></b> | <b><u>1996</u></b> |
|------------------------------|--------------------|--------------------|
|                              | £                  | £                  |
| Corporation Tax              | 236                | 3,935              |
| Loan Creditors               | 17,427             | 18,602             |
| Other Creditors and Accruals | 1,763              | -                  |
| Other Taxes                  | 2,158              | 3,031              |
|                              | <hr/>              | <hr/>              |
|                              | £21,584            | £25,568            |
|                              | <hr/>              | <hr/>              |

**10. CALLED UP SHARE CAPITAL**

|                                | <b><u>1997</u></b> | <b><u>1996</u></b> |
|--------------------------------|--------------------|--------------------|
|                                | £                  | £                  |
| <u>Authorised:</u>             |                    |                    |
| 100 Ordinary Shares of £1 each | 100                | 100                |
|                                | <hr/>              | <hr/>              |
| <u>Issued and Fully Paid:</u>  |                    |                    |
| 100 Ordinary Shares of £1 each | 100                | 100                |
|                                | <hr/>              | <hr/>              |

**11. OTHER RESERVES**

|                          | <b>Revaluation<br/>Reserve</b> | <b>Total</b> |
|--------------------------|--------------------------------|--------------|
|                          | £                              | £            |
| At 1 July 1996           | 546,804                        | 546,804      |
| Transfer during the year | (101,304)                      | (101,304)    |
|                          | <hr/>                          | <hr/>        |
| At 30 June 1997          | £445,500                       | £445,500     |
|                          | <hr/>                          | <hr/>        |

**WINCHBOURNE LIMITED**  
**PROPERTY REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 1997**

|                                    | <u>1997</u>    |       | <u>1996</u>    |
|------------------------------------|----------------|-------|----------------|
|                                    | £              | £     | £              |
| Rents and Other Charges Receivable | 42,221         |       | 37,514         |
| Less : Property Outgoings          |                |       |                |
| General and Water Rates            | 98             | 1,464 |                |
| Insurance                          | 2,171          | 3,708 |                |
| Repairs and Maintenance            | 6,392          | 281   |                |
| Lighting and Heating               | 188            | 177   |                |
| Legal and Professional Charges     | 153            | 738   |                |
| Management Commission              | 4,222          | -     |                |
| Letting Commission                 | 556            |       |                |
| Depreciation                       | 2,753          | 1,827 |                |
|                                    | <hr/>          | <hr/> |                |
|                                    | (16,533)       |       | (8,195)        |
|                                    | <hr/>          |       | <hr/>          |
| <b>NET RENTAL INCOME</b>           | <b>£25,688</b> |       | <b>£29,319</b> |
|                                    | <hr/> <hr/>    |       | <hr/> <hr/>    |