

F & S (DEVELOPMENTS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 APRIL 1995

COMPANY NO. 1027708



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F & S (DEVELOPMENTS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1995

Company Registration Number: 1027708

Registered Office: Oak Lodge
Windmill Lane
Appleton
Warrington

Directors: Mr J A Farquharson
Mrs M L Bennett

Secretary: Mr J A Farquharson

Auditors: Grant Thornton
Registered Auditors
Chartered Accountants
Warrington

F & S (DEVELOPMENTS) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1995

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F & S (DEVELOPMENTS) LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 30 April 1995.

Principal activities

The company is principally engaged in the business of land and property development and management.

Results and dividend

There was a profit for the year after taxation amounting to £26,285. The directors do not recommend payment of a dividend and the profit has therefore been retained.

Directors

The directors in office at the end of the year are listed below. Both served on the Board throughout the year.

The interests of the directors in the shares of the company at 1 May 1994 and 30 April 1995 were as follows:-

	1995 and 1994 Ordinary Shares
Mr J A Farquharson	100
Mrs M L Bennett	-

Directors' responsibilities for the financial statements

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;
- 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

F & S (DEVELOPMENTS) LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'J A Farquharson', followed by a long horizontal line extending to the right.

J A Farquharson
Secretary
16 February 1996

**REPORT OF THE AUDITORS TO THE MEMBERS OF
F & S (DEVELOPMENTS) LIMITED**

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 4.

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.

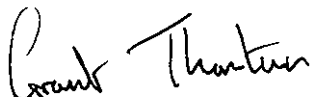
Basis of opinion

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 30 April 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
WARRINGTON

• 16 February 1996

F & S (DEVELOPMENTS) LIMITED

PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, except that the investment property is revalued at market value annually.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Turnover

Turnover is the total amount receivable by the company for goods supplied and for services provided, excluding VAT.

Depreciation

Depreciation is calculated to write down the cost of fixtures and fittings by the reducing balance method over their expected useful lives.

The rate generally applicable to fixtures and fittings is 33 $\frac{1}{3}$ %.

No depreciation is provided on the investment property.

Stock and work in progress

Stock of properties and building land is stated at the lower of cost and net realisable value.

Cost represents the cost of the stock of properties and building land, plus subsequent improvement expenditure. Net realisable value represents the estimated selling price.

Investment property

In accordance with Statement of Standard Accounting Practice No. 19, the investment property, which is held for long-term investment, is included in the balance sheet at open market value. The surplus on the revaluation of the property is transferred to the revaluation reserve. Depreciation is not provided in respect of the investment property.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view, because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Contributions to pension funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

F & S (DEVELOPMENTS) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 APRIL 1995**

	Note	1995 £	1994 £
Turnover	1	199,304	97,635
Cost of sales		(97,861)	(34,000)
Gross profit		101,443	63,635
Administrative expenses		(48,644)	(40,686)
Operating profit		52,799	22,949
Net interest	2	(18,960)	(25,281)
Profit/(loss) on ordinary activities before taxation	1	33,839	(2,332)
Tax on profit/(loss) on ordinary activities	4	(7,554)	2,902
Profit retained	13	26,285	570
Statement of total recognised gains and losses			
Profit for the financial year		26,285	570
Unrealised surplus on revaluation of investment property		-	85,000
Total recognised gains and losses for the year		26,285	85,570

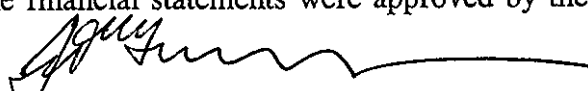
The accompanying accounting policies and notes form an integral part of these financial statements.

F & S (DEVELOPMENTS) LIMITED

BALANCE SHEET AT 30 APRIL 1995

	Note	£	1995 £	£	1994 £
Fixed assets					
Tangible assets	5		335,023		335,034
Investment	6		1		1
Current assets					
Stock and work in progress	7	149,563		245,563	
Debtors	8	292		17,224	
		<u>149,855</u>		<u>262,787</u>	
Creditors: amounts falling due within one year	9	<u>190,522</u>		<u>372,490</u>	
Net current liabilities			<u>(40,667)</u>		<u>(109,703)</u>
Total assets less current liabilities			294,357		225,332
Creditors: amounts falling due after more than one year	10		<u>(42,740)</u>		<u>-</u>
			<u>251,617</u>		<u>225,332</u>
Capital and reserves					
Called up share capital	12		200		200
Revaluation reserve	13		111,243		111,243
Profit and loss account	13		140,174		113,889
Shareholders funds	13		<u>251,617</u>		<u>225,332</u>

The financial statements were approved by the Board of Directors on 16 February 1996.


J A Farquharson - Director

The accompanying accounting policies and notes form an integral part of these financial statements.

F & S (DEVELOPMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1995

1 Turnover and profit/(loss) on ordinary activities before taxation

The turnover and profit/(loss) before taxation is attributable to land and property dealings, development and management.

The profit/(loss) on ordinary activities is stated after:

	1995 £	1994 £
Auditors' remuneration	850	850
Depreciation of tangible fixed assets, owned	11	17
Pension costs	7,500	7,500
	<u> </u>	<u> </u>

2 Net interest

	1995 £	1994 £
On bank overdrafts		
- repayable within 5 years, otherwise than by instalments	16,194	25,281
On bank loans repayable in more than 5 years by instalments	2,766	-
	<u> </u>	<u> </u>
	18,960	25,281
	<u> </u>	<u> </u>

3 Directors and employees

	1995 £	1994 £
Staff costs during the year were as follows:		
Wages and salaries	6,750	7,000
Social security costs	350	223
Other pension costs	7,500	7,500
	<u> </u>	<u> </u>
	14,600	14,723
	<u> </u>	<u> </u>

The average number of employees of the company during the year was 2 (1994 : 2).

Remuneration in respect of directors was as follows:

	1995 £	1994 £
Management remuneration	14,250	14,500
	<u> </u>	<u> </u>

F & S (DEVELOPMENTS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 1995****4 Tax on profit/(loss) on ordinary activities**

The tax charge/(credit) is based on the profit for the year and is made up as follows:

	1995 £	1994 £
Corporation Tax at 25%	7,500	(1,300)
Adjustment in respect of previous years	54	(1,602)
	<u>7,554</u>	<u>(2,902)</u>

5 Tangible fixed assets

	Total £	Investment property £	Fixtures & fittings £
Cost or valuation At 30 April 1994 and at 30 April 1995	<u>336,750</u>	<u>335,000</u>	<u>1,750</u>
Depreciation At 30 April 1994	1,716	-	1,716
Provided in the year	11	-	11
At 30 April 1995	<u>1,727</u>	<u>-</u>	<u>1,727</u>
Net book amount at 30 April 1995	<u>335,023</u>	<u>335,000</u>	<u>23</u>
Net book amount at 30 April 1994	<u>335,034</u>	<u>335,000</u>	<u>34</u>

The investment property has been revalued and is included at the directors opinion of open market value. The surplus arising on revaluation has been transferred to revaluation reserve.

F & S (DEVELOPMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 1995

6 Fixed asset investment

This comprises the cost of the company's holding in Diamond Cutting (North West) Limited. At 30 April 1995, the company held more than 10% of the allotted share capital of the following undertaking:

Name of undertaking	Country of registration	Class of share capital held	Proportion held	Nature of business	Capital and reserves £	Profit for the year ended 31 May 1994 £
Diamond Cutting (North West) Limited	England	£1 Ordinary shares	70%	Non-trading (Concrete cutting to 28 Feb '92)	(7,402)	591

The directors have taken advantage of the exemptions under Section 248 of the Companies Act 1985, not to prepare consolidated group accounts as the group is a small size group.

7 Stock and work in progress

	1995 £	1994 £
Stock of properties and work in progress	149,563	245,563

8 Debtors

	1995 £	1994 £
Prepayments and accrued income	292	220
Corporation Tax recoverable	-	17,004
	292	17,224

F & S (DEVELOPMENTS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 1995****9 Creditors: amounts falling due within one year**

	1995	1994
	£	£
Bank loan (secured)	4,105	-
Bank overdraft (secured)	122,959	314,159
Trade creditors	11,895	11,895
Current taxation	7,500	2,102
Other creditors	16,532	16,532
Accruals and deferred income	22,760	27,241
Social security and other taxes	4,771	561
	<u>190,522</u>	<u>372,490</u>

The bank have an unscheduled mortgage debenture over company assets and legal mortgages over certain company properties as security for the bank borrowings.

10 Creditors: amounts falling due after more than one year

	1995	1994
	£	£
Bank loan (secured)	<u>42,740</u>	<u>-</u>

11 Borrowings

Borrowings are repayable as follows:-

	1995	1994
	£	£
Within one year		
Bank overdraft	122,959	314,159
Bank loan	4,105	-
After one and within two years		
Bank loan	4,500	-
After two and within five years		
Bank loan	16,000	-
After five years		
Bank loan	22,240	-
	<u>169,804</u>	<u>314,159</u>

The bank loan is repayable by instalments and the rate of interest payable is 2.25% over bank base rate.

F & S (DEVELOPMENTS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 1995****12 Called up share capital****1995 and 1994
£**

Authorised 1,000 Ordinary shares of £1 each	1,000
Allotted, called up and fully paid 200 Ordinary shares of £1 each	200

13 Movement in shareholders' funds

	Revaluation reserve £	Profit and loss account £	Share capital £	Total £
At 30 April 1993	26,243	113,319	200	139,762
Retained profit for the year	-	570	-	570
Surplus on revaluation of assets	85,000	-	-	85,000
At 30 April 1994	111,243	113,889	200	225,332
Retained profit for the year	-	26,285	-	26,285
At 30 April 1995	111,243	140,174	200	251,617

14 Capital commitments

The company had no capital commitments at 30 April 1995 or 30 April 1994.

15 Contingent liabilities

There were no contingent liabilities at 30 April 1995 or 30 April 1994.

16 Pensions

The company operates a defined contribution scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a scheme independent from those of the company.