



F & S (DEVELOPMENTS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 APRIL 1998

COMPANY NO. 1027708

F & S (DEVELOPMENTS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1998

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

Accountants:

Grant Thornton
Chartered Accountants
Warrington

F & S (DEVELOPMENTS) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1998

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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 1998.

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 £15,897. The directors do not recommend payment of a dividend and the profit has therefore been retained.

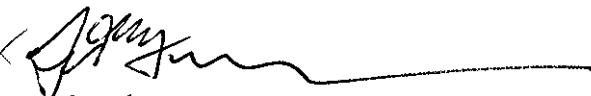
Directors

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 1997 and 30 April 1998 were as follows:-

	1998 and 1997 Ordinary Shares
Mr J A Farquharson	100
Mrs M L Bennett	-

BY ORDER OF THE BOARD

X 

J A Farquharson
Secretary
26 January 1999

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 33⅓%. 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 investment property 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 1998

	Note	1998 £	1997 £
Turnover	1	68,827	157,212
Cost of sales		-	(70,912)
Gross profit		68,827	86,300
Administrative expenses		(44,860)	(61,277)
Operating profit		23,967	25,023
Net interest	2	(6,804)	(12,993)
Profit on ordinary activities before taxation	1	17,163	12,030
Tax on profit on ordinary activities	4	(1,266)	(1,915)
Profit retained	13	15,897	10,115

There were no recognised gains or losses other than the profit for the financial year.

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

F & S (DEVELOPMENTS) LIMITED

BALANCE SHEET AT 30 APRIL 1998

	Note	£	1998 £	£	1997 £
Fixed assets					
Tangible assets	5		335,007		335,010
Investment	6		1		1
Current assets					
Stock and work in progress	7	79,563		79,563	
Debtors	8	2,527		278	
		82,090		79,841	
Creditors: amounts falling due within one year	9	84,226		94,770	
Net current liabilities			(2,136)		(14,929)
Total assets less current liabilities			332,872		320,082
Creditors: amounts falling due after more than one year	10		(32,955)		(36,062)
			299,917		284,020
Capital and reserves					
Called up share capital	12		200		200
Revaluation reserve	13		111,243		111,243
Profit and loss account	13		188,474		172,577
Shareholders funds	13		299,917		284,020

For the year ended 30 April 1998, the company was exempt from audit of its financial statements under section 249A(1) of the Companies Act 1985. No notice has been deposited by members under section 249B(2) calling for an audit in relation to these financial statements.

We acknowledge our responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 26 January 1999.


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 1998****1 Turnover and profit on ordinary activities before taxation**

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

The profit on ordinary activities is stated after:

	1998 £	1997 £
Depreciation of tangible fixed assets, owned	3	5
Pension costs	-	7,500
	<u> </u>	<u> </u>

2 Net interest

	1998 £	1997 £
On bank overdrafts repayable within 5 years, otherwise than by instalments	3,271	9,532
On bank loans repayable in more than 5 years by instalments	3,533	3,461
	<u> </u>	<u> </u>
	6,804	12,993
	<u> </u>	<u> </u>

3 Directors and employees

	1998 £	1997 £
Staff costs during the year were as follows:		
Wages and salaries	20,500	6,750
Social security costs	2,000	313
Other pension costs	-	7,500
	<u> </u>	<u> </u>
	22,500	14,563
	<u> </u>	<u> </u>

The average number of employees of the company during the year was 2 (1997 : 2).

Remuneration in respect of directors was as follows:

	1998 £	1997 £
Emoluments	20,500	6,750
Pension contributions to a money purchase pension scheme	-	7,500
	<u> </u>	<u> </u>
	20,500	14,250
	<u> </u>	<u> </u>

During 1998 and 1997, one director participated in a money purchase pension scheme.

F & S (DEVELOPMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 1998

4 Tax on profit on ordinary activities

The tax charge represents:-

	1998 £	1997 £
Corporation Tax at 21% (1997 - 24%)	1,750	2,000
Adjustment in respect of previous years	(484)	(85)
	<u>1,266</u>	<u>1,915</u>

5 Tangible fixed assets

	Total £	Investment property £	Fixtures & fittings £
Cost or valuation			
At 1 May 1997 and at 30 April 1998	336,750	335,000	1,750
Depreciation			
At 1 May 1997	1,740	-	1,740
Provided in the year	3	-	3
At 30 April 1998	<u>1,743</u>	<u>-</u>	<u>1,743</u>
Net book amount at 30 April 1998	<u>335,007</u>	<u>335,000</u>	<u>7</u>
Net book amount at 30 April 1997	<u>335,010</u>	<u>335,000</u>	<u>10</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 1998

6 Fixed asset investment

This comprises the cost of the company's holding in Diamond Cutting (North West) Limited. At 30 April 1998, 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 £	Loss for the year ended 31 May 1997 £
Diamond Cutting (North West) Limited	England	£1 Ordinary shares	70%	Non-trading (Concrete cutting to 28 Feb '92)	(8,098)	406

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

	1998 £	1997 £
Stock of properties and work in progress	79,563	79,563

8 Debtors

	1998 £	1997 £
Prepayments and accrued income	942	278
Other debtors	1,585	-
	<u>2,527</u>	<u>278</u>

F & S (DEVELOPMENTS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 1998****9 Creditors: amounts falling due within one year**

	1998 £	1997 £
Bank loan (secured)	3,605	4,105
Bank overdraft (secured)	30,933	35,038
Trade creditors	11,730	11,730
Current taxation	1,750	2,000
Other creditors	5,500	19,957
Accruals and deferred income	20,708	20,675
Social security and other taxes	10,000	1,265
	<u>84,226</u>	<u>94,770</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

	1998 £	1997 £
Bank loan (secured)	<u>32,955</u>	<u>36,062</u>

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

11 Borrowings

Borrowings are repayable as follows:-

	1998 £	1997 £
Within one year		
Bank overdraft	30,933	35,038
Bank loan	3,605	4,105
After one and within two years		
Bank loan	3,500	3,500
After two and within five years		
Bank loan	12,000	12,000
After five years		
Bank loan	17,455	20,562
	<u>67,493</u>	<u>75,205</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 1998

12 Called up share capital**1998 and 1997
£**Authorised
1,000 Ordinary shares of £1 each1,000Allotted, called up and fully paid
200 Ordinary shares of £1 each200**13 Movement in shareholders' funds**

	Revaluation reserve £	Profit and loss account £	Share capital £	Total £
At 1 May 1996	111,243	162,462	200	273,905
Retained profit for the year	-	10,115	-	10,115
At 30 April 1997	111,243	172,577	200	284,020
Retained profit for the year	-	15,897	-	15,897
At 30 April 1998	<u>111,243</u>	<u>188,474</u>	<u>200</u>	<u>299,717</u>

14 Capital commitments

The company had no capital commitments at 30 April 1998 or 30 April 1997.

15 Contingent liabilities

There were no contingent liabilities at 30 April 1998 or 30 April 1997.

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.

17 Transactions with directors and other related parties

The balances on loan account due to directors and other related parties were as follows:-

	1998 £	1997 £
J A Farquharson	-	4,602
Estate of J Sanson deceased	-	10,179
	<u>-</u>	<u>14,781</u>

Other than the repayment of the loan accounts, there were no transactions with the above during the year.