

S.C.H. (PROPERTIES) LIMITED AND SUBSIDIARY

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1990

1317708

INDEX

CONTENTS

PAGE

REPORT OF THE DIRECTORS

1 & 2

REPORT OF THE AUDITORS

3

CONSOLIDATED PROFIT AND LOSS ACCOUNT

4

CONSOLIDATED BALANCE SHEET

5

BALANCE SHEET

6

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

7

NOTES TO THE ACCOUNTS

8 - 12

THE FOLLOWING SCHEDULES ARE FOR MANAGEMENT INFORMATION PURPOSES ONLY
AND DO NOT FORM PART OF THE STATUTORY ACCOUNTS:

PARENT COMPANY PROFIT AND LOSS ACCOUNT

13

OTHER OPERATING CHARGES

14



REPORT OF THE DIRECTORS

The Directors submit their Report and the Audited Accounts of the Company and its subsidiary for the year ended 31st March, 1990.

ACTIVITIES

The principal activities of the Company and of the Group are that of property dealing, development and property investment.

RESULTS AND STATE OF AFFAIRS

The Accounts on pages 4 to 12 set out the results for the year ended 31st March 1990 and reflect the state of affairs at that date of the Company and the Group.

DIVIDEND

The Directors do not propose to pay a dividend.

FIXED ASSETS

Details of movements of fixed assets are shown in Note 10 to the Accounts.

DIRECTORS AND THEIR INTERESTS

The Members of the Board during the year and their interests in the Company's shares were as follows:-

	<u>Interest</u> <u>at end of year</u> <u>number of shares</u> <u>£1 Ordinary</u>	<u>Interest</u> <u>at beginning of year</u> <u>number of shares</u> <u>£1 Ordinary</u>
L. Serlin	1	1
D. J. Serlin	1	1
Mrs. S. Serlin	-	-

/Cont'd 2.

REPORT OF THE DIRECTORS (continued)

AUDITORS

A resolution will be proposed at the forthcoming Annual General Meeting for the re-appointment of Edelman Keane who have expressed their willingness to continue in office as Auditors for the ensuing year.

BY ORDER OF THE BOARD

MRS. S. SERLIN

SECRETARY

Dated: 3rd August, 1990

Edelman House,
1238 High Road,
Whetstone,
London, N20 0LH

REPORT OF THE AUDITORS

3.

TO THE MEMBERS OF S.C.H. (PROPERTIES) LIMITED

We have audited the Accounts on pages 4 to 12 in accordance with auditing standards.

In our opinion the Accounts give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 1990, and of the results and source and application of funds for the year then ended and comply with the Companies Act 1985.

Edelman House,
1238 High Road,
Whetstone,
London, N20 0LH

EDELMAN KEANE
CHARTERED ACCOUNTANTS

Dated: 3rd August 1990

S.C.H. (PROPERTIES) LIMITED AND SUBSIDIARY

4.

CONSOLIDATED PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST MARCH 1990

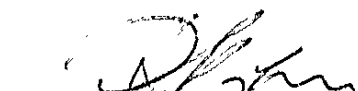
	<u>Note</u>	<u>£</u>	<u>1990</u>	<u>£</u>	<u>1989</u>	<u>£</u>
<u>TURNOVER</u>	2		26,019		-	
Change in Stock			(5,000)		-	
			<u>21,019</u>		<u>-</u>	
Other Operating Income	3		33,250		42,500	
			<u>54,269</u>		<u>42,500</u>	
Purchase and acquisition costs			(6,000)		-	
			<u>48,269</u>		<u>42,500</u>	
Staff Costs	4	26,340		25,459		
Depreciation		4,148		2,918		
Other Operating Char		4,995		6,998		
			<u>(35,483)</u>		<u>(35,375)</u>	
<u>OPERATING PROFIT</u>	5		12,786		7,125	
Interest Receivable	6	2,722		2,056		
Interest Payable	7	(30)		(209)		
			<u>2,692</u>		<u>1,847</u>	
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>			15,478		8,972	
<u>TAX ON ORDINARY ACTIVITIES</u>	8		(4,407)		(2,478)	
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>	9		11,071		6,494	
Balance at 1st April, 1989			<u>41,258</u>		<u>34,764</u>	
<u>BALANCE AT 31ST MARCH 1990</u>			52,329		41,258	
			=====		=====	

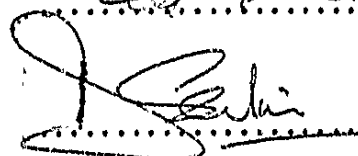
S.C.H. (PROPERTIES) LIMITED AND SUBSIDIARY

5.

CONSOLIDATED BALANCE SHEETAS AT 31ST MARCH 1990

	<u>Note</u>	<u>£</u> <u>1990</u>	<u>£</u> <u>1989</u>
<u>FIXED ASSETS</u>			
Tangible Assets	10	99,418	95,738
<u>CURRENT ASSETS</u>			
Stocks		169,129	174,129
Debtors	12	1,395	1,610
Cash at Bank and in Hand		19,708	15,961
		<u>190,232</u>	<u>191,700</u>
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	13	<u>237,319</u>	<u>246,178</u>
<u>NET CURRENT (LIABILITIES)</u>		<u>(47,087)</u>	<u>(54,478)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>52,331</u>	<u>41,260</u>
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	14	2	2
Profit and Loss Account		<u>52,329</u>	<u>41,258</u>
		52,331	41,260
		=====	=====

..... Director

..... Director

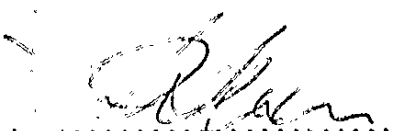
Dated: 3.8.90

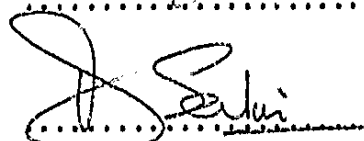
S.C.H. (PROPERTIES) LIMITED

6.

BALANCE SHEETAS AT 31ST MARCH 1990

	Note	£	1990	£	£	1989	£
<u>FIXED ASSETS</u>							
Tangible Assets	10		12,434			8,754	
Investments	11		2			2	
			<u>12,436</u>			<u>8,756</u>	
<u>CURRENT ASSETS</u>							
Stocks			169,129			174,129	
Debtors	12		72,140			80,367	
Cash at Bank and in Hand			19,213			14,318	
			<u>260,482</u>			<u>268,814</u>	
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ON YEAR</u>	13		<u>(234,282)</u>			<u>(243,430)</u>	
<u>NET CURRENT ASSETS</u>							
					26,200		25,384
					<u>38,636</u>		<u>34,140</u>
					=====		=====
<u>CAPITAL AND RESERVES</u>							
Called up Share Capital	14		2			2	
Profit and Loss Account			<u>38,634</u>			<u>34,138</u>	
					38,636		34,140
					=====		=====

..... Director

..... Director

3.8.90
Dated:

S.C.H. (PROPERTIES) LIMITED AND SUBSIDIARY

7.

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31ST MARCH 1990

	£	1990	£	1989	£
<u>SOURCE OF FUNDS</u>					
Profit on Ordinary Activities before Taxation		15,478		8,972	
Depreciation		4,148		2,918	
(Profit) on disposal of Fixed Asset		(3,246)		-	
<u>TOTAL GENERATED FROM OPERATIONS</u>		<u>16,380</u>		<u>11,890</u>	
<u>FUNDS FROM OTHER SOURCES:</u>					
Sale of Fixed Assets		12,000		-	
		<u>28,380</u>		<u>11,890</u>	
<u>APPLICATION OF FUNDS</u>					
Purchase of Tangible Fixed Assets	16,582		-		
Taxation Paid	2,492		9,016		
		<u>(19,074)</u>		<u>(9,016)</u>	
		<u>9,306</u>		<u>2,874</u>	
		=====		=====	
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>					
Stocks	(5,000)		-		
Debtors	(215)		962		
Creditors	8,999		10,241		
		<u>3,784</u>		<u>11,203</u>	
Movement in Net Liquid Funds:					
Cash at Bank and in Hand		3,747		(7,186)	
Bank Overdraft		1,775		(1,143)	
		<u>9,306</u>		<u>2,874</u>	
		=====		=====	

NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST MARCH 19901. ACCOUNTING POLICIES

The principal accounting policies adopted are unless otherwise stated consistent with those applied in the previous accounting period and are as follows:-

a) Convention

The Accounts have been prepared in accordance with the historical cost convention.

b) Depreciation

Depreciation is not provided on Investment Properties in accordance with statement of Standard Accounting Practice No. 19.

The following Fixed Asset is depreciated to write-off the cost on a reducing balance basis at the rate indicated.

	<u>Annual Rate</u>
Motor Vehicle	25%

c) Stock

Stock is valued at the lower of cost and net realisable value.

d) Deferred Taxation

There is no charge for taxation for the year as no timing differences have arisen.

2. TURNOVER

Turnover is the amount receivable for property sold.

3. OTHER OPERATING INCOME

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Net Revenue from Property	33,250	42,500
	=====	=====

4. STAFF COSTSa) Staff Costs Comprise:

Salaries	24,030	23,150
Social Security Costs	2,310	2,309
	<u>26,340</u>	<u>25,459</u>
	=====	=====

/Cont'd9.

NOTES TO THE ACCOUNTS (continued)FOR THE YEAR ENDED 31ST MARCH 1990

	<u>1990</u> <u>£</u>	<u>1989</u> <u>£</u>
4. <u>STAFF COSTS (continued)</u>		
b) <u>Employees</u>		
The average number of employees during the year is analysed as follows:-		
2 Management		
c) <u>Directors' Remuneration</u>		
Directors' Remuneration is included in staff costs and consists of:		
Emoluments	24,030 =====	23,150 =====
5. <u>OPERATING PROFIT</u>		
The Operating Profit is stated after charging:		
Auditors' Remuneration	1,230 =====	1,000 =====
6. <u>INTEREST RECEIVABLE</u>		
Bank Interest	2,722	1,953
Supplement on Corporation Tax repaid	-	103
	<u>2,722</u> =====	<u>2,056</u> =====
7. <u>INTEREST PAYABLE</u>		
Interest on Bank Overdraft	30	27
Other Interest	-	182
	<u>30</u> =====	<u>209</u> =====
8. <u>TAX ON ORDINARY ACTIVITIES</u>		
U.K. Corporation Tax	4,407	2,493
(Over)/Under provision in preceding year	-	(15)
	<u>4,407</u> =====	<u>2,478</u> =====

NOTES TO THE ACCOUNTS (continued)FOR THE YEAR ENDED 31ST MARCH 1990

	<u>1990</u> <u>£</u>	<u>1989</u> <u>£</u>
9. <u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		
The Consolidated Profit is attributable to:		
Company	4,496	(41)
Subsidiary	6,575	6,535
	<u>11,071</u> =====	<u>6,494</u> =====

10. TANGIBLE FIXED ASSETSTHE GROUP

	<u>Freehold Land</u> <u>and Buildings</u> <u>£</u>	<u>Motor</u> <u>Vehicle</u> <u>£</u>	<u>TOTAL</u> <u>£</u>
<u>Cost:</u>			
At beginning of year	86,984	20,750	107,734
Addition	-	16,582	16,582
Disposal	-	(20,750)	(20,750)
At end of year	<u>86,984</u> =====	<u>16,582</u> =====	<u>103,566</u> =====
<u>Depreciation:</u>			
At beginning of year	-	11,996	11,996
Provided during year	-	4,148	4,148
On disposal	-	(11,996)	(11,996)
At end of year	<u>-</u> =====	<u>4,148</u> =====	<u>4,148</u> =====
<u>Net Book Value:</u>			
At beginning of year	<u>86,984</u> =====	<u>8,754</u> =====	<u>95,738</u> =====
At end of year	<u>86,984</u> =====	<u>12,434</u> =====	<u>99,418</u> =====

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST MARCH 1990

10. TANGIBLE FIXED ASSETS

Motor Vehicle

£THE COMPANYCost:

At beginning of year	20,750
Addition	16,582
Disposal	(20,750)
	<u>16,582</u>
At end of year	<u>16,582</u>

Depreciation:

At beginning of year	11,996
Provided during year	4,148
Disposal	(11,996)
	<u>4,148</u>
At end of year	<u>4,148</u>

Net Book Value:

At beginning of year	8,754
	<u>12,434</u>
At end of year	<u>12,434</u>

11. FIXED ASSET INVESTMENT

Subsidiary

a) Shares at Cost£

At beginning and end of year	2
	<u>2</u>

b) Details of Fixed Asset Investment

The Company's Fixed Asset investment and shareholding therein is as follows:-

	<u>Country of incorporation</u>		<u>Class of Shares held</u>	<u>Proportion of Shares Held</u>	
				<u>Direct</u>	<u>Indirect</u>
Heathway Investments Ltd.	U.K.	£1 Ordinary	100%		-

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Trade Debtors	793	925	-	-
Other Debtors	602	-	72,140	79,682
Prepayments	-	685	-	685
	<u>1,395</u>	<u>1,610</u>	<u>72,140</u>	<u>80,367</u>
	<u>1,395</u>	<u>1,610</u>	<u>72,140</u>	<u>80,367</u>

/Cont'd 12.

NOTES TO THE ACCOUNTS (continued)FOR THE YEAR ENDED 31ST MARCH 1990

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
13. <u>CREDITORS: AMOUNTS FALLING DUE</u>				
<u>WITHIN ONE YEAR</u>				
Trade Creditors	23	23	-	-
Bank Overdraft	146	1,921	146	1,921
Current Corporation Tax	4,407	2,492	2,216	313
Other Taxes and Social Security	-	849	-	849
Other Creditors	229,080	237,381	228,947	237,295
Accruals	3,663	3,512	2,973	3,052
	<u>237,319</u>	<u>246,178</u>	<u>234,282</u>	<u>243,430</u>
	=====	=====	=====	=====
14. <u>CALLED UP SHARE CAPITAL</u>			<u>£</u>	<u>£</u>
<u>Authorised</u>				
1,000 Ordinary Shares of £1 each			<u>1,000</u>	<u>1,000</u>
			=====	=====
<u>Issued and Fully Paid</u>				
2 Ordinary Shares of £1 each			<u>2</u>	<u>2</u>
			=====	=====
15. <u>DIRECTOR'S INTERESTS</u>				
Included in other Creditors are the sums of £228,557 and £522 due to Mr. I. Serlin and Mr. D. Serlin respectively.				
There are no fixed terms as to interest or repayment.				
16. <u>PROFIT AND LOSS ACCOUNT OF THE COMPANY</u>				
In accordance with the exemption permitted by Section 228(7) Companies Act 1985 the Profit and Loss Account of the Company is not separately presented.				