



S.C.H. (Properties) Limited
Directors' Report and Financial Statements
for the year ended 31 March 1994

1317708 (England and Wales)

GERALD EDELMAN
CHARTERED ACCOUNTANTS

25 HARLEY STREET LONDON W1N 2BR
TELEPHONE 071 637 8555 · FAX 071 631 0917



S.C.H. (Properties) Limited
Contents

	Page
Directors' Report	1
Statement of Directors' Responsibilities	2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6 - 11

S.C.H. (Properties) Limited

Directors' Report
for the year ended 31 March 1994

The directors present their report and the financial statements for the year ended 31 March 1994.

Principal Activities and Review of the Business

The principal activity of the company is property dealing.

The results for the year and the financial position at the year end were considered satisfactory by the directors, who are optimistic of growth in the foreseeable future.

Results and Dividends

The results for the year are set out on page 4.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £16,913 is transferred to reserves.

Fixed Assets

Details of movements in fixed assets during the year are set out in notes 7 and 8 to the financial statements.

Directors and their Interests

The directors who served during the year and their interests in the company's shares were as stated below

		Number of shares	
		1994	1993
Class of share			
L Serlin	Ordinary shares	1	1
D J Serlin	Ordinary shares	1	1
S Serlin	Ordinary shares	-	-

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 15th August 1994

S Serlin
Secretary



S.C.H. (Properties) Limited

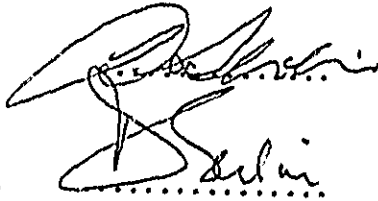
Statement of Directors' Responsibilities

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 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 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.

L Serlin
Director



D J Serlin
Director



Date: 15th August 1994

S.C.H. (Properties) Limited

Auditors' Report
to the shareholders of S.C.H. (Properties) Limited

We have audited the financial statements on pages 4 to 11 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 2 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

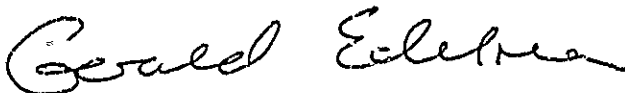
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 31 March 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled to the exemption conferred by Section 248 of the Companies Act 1985 from the requirement to prepare group accounts for the financial year ended 31 March 1994.



Gerald Edelman

15th August 1994

Chartered Accountants
Registered Auditor

25 Harley Street
London W1N 2BR

S.C.H. (Properties) Limited
Profit and Loss Account
for the year ended 31 March 1994

	Notes	1994 £	1993 £
Turnover	2	31,500	-
Cost of sales		(20,345)	-
Gross profit		11,155	-
Administrative expenses		(41,727)	(40,847)
Other operating income		51,614	53,201
Operating profit	3	21,042	12,354
Interest receivable and other similar income	4	1,033	1,248
Interest payable and similar charges	5	(57)	9
Profit on ordinary activities before taxation		22,018	13,611
Tax on profit on ordinary activities	6	(5,105)	(641)
Retained profit for the year	13	£ 16,913	£ 12,970

There are no recognised gains and losses other than those passing through the profit and loss account.

There have been no acquisitions or discontinued operations during the year; the results shown above for this year and the prior year therefore relate to continuing operations.

S.C.H. (Properties) Limited

Balance Sheet as at 31 March 1994

	Notes	£	1994 £	£	1993 £
Fixed Assets					
Tangible assets	7		12,844		5,245
Investments	8		2		2
			<u>12,846</u>		<u>5,247</u>
Current Assets					
Stocks	9	150,864		169,129	
Debtors	10	42,706		49,522	
Cash at bank and in hand		66,989		34,239	
		<u>260,559</u>		<u>252,890</u>	
Creditors: amounts falling due within one year	11	(223,947)		(225,592)	
Net Current Assets			<u>36,612</u>		<u>27,298</u>
			<u>£ 49,458</u>		<u>£ 32,545</u>
Capital and Reserves					
Called up share capital	12		2		2
Profit and loss account	13		49,456		32,543
Shareholders' Funds	14		<u>£ 49,458</u>		<u>£ 32,545</u>

The financial statements were approved by the Board on 15th August 1994.

L Serlin
Director

D J Serlin
Director



S.C.H. (Properties) Limited

Notes to the Financial Statements for the year ended 31 March 1994

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

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 less estimated residual value of each asset over its expected useful life, as follows:

Motor vehicle - 25% Reducing balance

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Stock

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

1.6 Group Accounts

The company has not prepared group accounts as it is exempt from the requirement to do so by section 248 of the Companies Act 1985.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the U.K.

3. Operating Profit

Operating profit is stated after charging:

	1994 £	1993 £
Depreciation of tangible assets	4,281	1,749
Auditors' remuneration	1,200	1,200
and after crediting:		
Rents receivable	51,614	53,201

S.C.H. (Properties) Limited
Notes to the Financial Statements
for the year ended 31 March 1994

4.	Interest Receivable and Other Similar Income	1994 £	1993 £
	Bank interest received	<u>1,033</u>	<u>1,248</u>
5.	Interest Payable	1994 £	1993 £
	On bank loans and overdrafts	<u>57</u>	<u>(9)</u>
		£ 57	£ (9)
6.	Taxation	1994 £	1993 £
	U.K. Current year taxation		
	U.K. Corporation tax at 25% (1993 - 25%)	<u>4,991</u>	<u>641</u>
		4,991	641
	Prior years		
	U.K. Corporation tax	<u>114</u>	<u>-</u>
		£ 5,105	£ 641

S.C.H. (Properties) Limited

Notes to the Financial Statements
for the year ended 31 March 1994

7. Tangible assets

	Motor vehicle £
Cost	
At 1 April 1993	16,582
Additions	17,125
Disposals	(16,582)
At 31 March 1994	17,125
Depreciation	
At 1 April 1993	11,337
On disposals	(11,337)
Charge for year	4,281
At 31 March 1994	4,281
Net book values	
At 31 March 1994	£ 12,844
At 31 March 1993	£ 5,245

S.C.H. (Properties) Limited

Notes to the Financial Statements for the year ended 31 March 1994

8. Fixed Asset Investments	1994 £	1993 £
Subsidiary undertaking	<u>2</u>	<u>2</u>
Investment in subsidiary undertaking		Shares £
Cost		
At 1 April 1993 & at 31 March 1994		<u>2</u>
Net Book Values		
At 31 March 1994		<u>£ 2</u>
At 31 March 1993		<u>£ 2</u>

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 10%

The company holds more than 10% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertaking			
Heathway Investments Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Heathway Investments Limited	£45,400	£7,386

9. Stocks	1994 £	1993 £
Stock of properties	<u>£ 150,864</u>	<u>£ 169,129</u>

S.C.H. (Properties) Limited

Notes to the Financial Statements for the year ended 31 March 1994

10.	Debtors	1994 £	1993 £
	Trade debtors	2,150	2,121
	Amounts owed by group undertaking	40,241	47,022
	Prepayments and accrued income	315	379
		<u>£ 42,706</u>	<u>£ 49,522</u>
11.	Creditors: amounts falling due within one year	1994 £	1993 £
	Trade creditors	9,375	3,625
	Corporation tax	4,991	641
	Other taxes and social security costs	739	745
	Directors' current accounts	203,214	216,433
	Other creditors	1,690	-
	Accruals and deferred income	3,938	4,148
		<u>£ 223,947</u>	<u>£ 225,592</u>
12.	Called up Share Capital	1994 £	1993 £
	Authorised 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Allotted and fully paid 2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
13.	Profit And Loss Account	1994 £	1993 £
	Retained profits at 1 April 1993	32,543	19,573
	Retained profit for the year	16,913	12,970
	Retained profits at 31 March 1994	<u>£ 49,456</u>	<u>£ 32,543</u>

S.C.H. (Properties) Limited

Notes to the Financial Statements
for the year ended 31 March 1994

14. Reconciliation of Movements in Shareholders' Funds

	1994 £	1993 £
Profit for the financial year	16,913	12,970
Opening shareholders' funds	32,545	19,575
Closing shareholders' funds	<u>£ 49,458</u>	<u>£ 32,545</u>

15. Directors' Emoluments

	1994 £	1993 £
Remuneration	<u>22,110</u>	<u>25,610</u>

16. Employees

Number of employees

The average weekly number of employees (including directors) during the year was:

	1994 Number	1993 Number
Management	<u>2</u>	<u>2</u>

Employment costs

	£	£
Wages and salaries	22,110	25,610
Social security costs	1,908	2,299
	<u>£ 24,018</u>	<u>£ 27,909</u>