



S.C.H. (PROPERTIES) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

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S.C.H. (PROPERTIES) LIMITED

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S.C.H. (PROPERTIES) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2000

The directors present their report and financial statements for the year ended 31 March 2000.

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 3.

Directors

The following directors have held office since 1 April 1999:

L Serlin
D J Serlin
S Serlin

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2000	1 April 1999
L Serlin	1	1
D J Serlin	1	1
S Serlin	-	-
On behalf of the board		

S Serlin

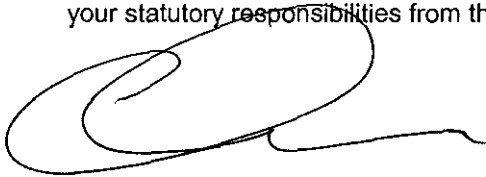
Director

16 November 2000

S.C.H. (PROPERTIES) LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF S.C.H. (PROPERTIES) LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2000, set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Gerald Edelman

Chartered Accountants

16 November 2000

25 Harley Street
London
W1G 9BR

S.C.H. (PROPERTIES) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000 £	1999 £
Administrative expenses		(39,145)	(38,688)
Other operating income		63,451	61,704
Operating profit	2	<u>24,306</u>	<u>23,016</u>
Other interest receivable and similar income		3,155	3,576
Interest payable and similar charges	3	<u>(17)</u>	<u>(6)</u>
Profit on ordinary activities before taxation		<u>27,444</u>	<u>26,586</u>
Tax on profit on ordinary activities	4	<u>(5,423)</u>	<u>(5,766)</u>
Profit on ordinary activities after taxation	11	<u><u>22,021</u></u>	<u><u>20,820</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

S.C.H. (PROPERTIES) LIMITED

BALANCE SHEET AS AT 31 MARCH 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	5		9,128		12,167
Investments	6		2		2
			<u>9,130</u>		<u>12,169</u>
Current assets					
Stocks	7	150,864		150,864	
Debtors	8	9,783		13,612	
Cash at bank and in hand		80,774		70,431	
		<u>241,421</u>		<u>234,907</u>	
Creditors: amounts falling due within one year	9	(109,890)		(128,436)	
Net current assets			<u>131,531</u>		<u>106,471</u>
Total assets less current liabilities			<u>140,661</u>		<u>118,640</u>
Capital and reserves					
Called up share capital	10		2		2
Profit and loss account	11		140,659		118,638
Shareholders' funds - equity interests	12		<u>140,661</u>		<u>118,640</u>

In preparing these financial statements:

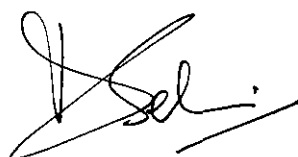
- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts 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 or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 16 November 2000

L Serlin
Director



D J Serlin
Director



S.C.H. (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

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:

Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	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 financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2	Operating profit	2000	1999
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	3,039	4,049
	and after crediting:		
	Rents receivable	63,451	61,704
		<u> </u>	<u> </u>
3	Interest payable	2000	1999
		£	£
	On bank loans and overdrafts	-	6
	On overdue tax	17	-
		<u> </u>	<u> </u>
		<u>17</u>	<u>6</u>

S.C.H. (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2000

4	Taxation	2000 £	1999 £
	U.K. current year taxation		
	U.K. corporation tax at 20% (1999 - 21%)	5,476	5,766
	Prior years		
	U.K. corporation tax	(53)	-
		<u>5,423</u>	<u>5,766</u>

5	Tangible fixed assets	Fixtures, fittings & equipment £	Motor vehicles £	Total £
	Cost			
	At 1 April 1999 & at 31 March 2000	180	21,500	21,680
	Depreciation			
	At 1 April 1999	107	9,406	9,513
	Charge for the year	15	3,024	3,039
	At 31 March 2000	122	12,430	12,552
	Net book value			
	At 31 March 2000	58	9,070	9,128
	At 31 March 1999	73	12,094	12,167

S.C.H. (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2000

6 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 1999 & at 31 March 2000	<u>2</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
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/(loss) for the year
Heathway Investments Limited	<u>75,937</u>	<u>6,641</u>

7	Stocks	2000 £	1999 £
	Stock of properties	<u>150,864</u>	<u>150,864</u>

8	Debtors	2000 £	1999 £
	Amounts owed by parent and fellow subsidiary undertakings	9,661	13,161
	Prepayments and accrued income	<u>122</u>	<u>451</u>
		<u>9,783</u>	<u>13,612</u>

S.C.H. (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2000

9	Creditors: amounts falling due within one year	2000	1999
		£	£
	Trade creditors	11,953	5,125
	Corporation tax	5,476	5,766
	Other taxes and social security costs	862	-
	Directors' current accounts	87,133	113,079
	Accruals and deferred income	4,466	4,466
		<u>109,890</u>	<u>128,436</u>
10	Share capital	2000	1999
		£	£
	Authorised		
	1,000 Ordinary shares of £ 1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>
11	Statement of movements on profit and loss account		
			Profit and loss account
			£
	Balance at 1 April 1999		118,638
	Retained profit for the period		<u>22,021</u>
	Balance at 31 March 2000		<u>140,659</u>
12	Reconciliation of movements in shareholders' funds	2000	1999
		£	£
	Profit for the financial year	22,021	20,820
	Opening shareholders' funds	<u>118,640</u>	<u>97,820</u>
	Closing shareholders' funds	<u>140,661</u>	<u>118,640</u>
13	Directors' emoluments	2000	1999
		£	£
	Emoluments for qualifying services	<u>22,110</u>	<u>22,110</u>

S.C.H. (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2000

14 Transactions with directors

Included under creditors is the sum of £87,133 (1999 £113,079) due to L S Serlin. There are no terms as to interest or repayment in respect of this balance.

15 Employees

Number of employees

There were no employees during the year apart from the directors.

Employment costs	2000 £	1999 £
Wages and salaries	22,110	22,110
Social security costs	2,856	2,631
	<u>24,966</u>	<u>24,741</u>

16 Control

The ultimate controlling party is the family interests of Mr L Serlin and Mr D Serlin, both directors of the company.