

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

Company No: 1674021

FINANCIAL STATEMENTS

for the year ended

5 APRIL 2000

COHEN ARNOLD & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON W1S 2HL



SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS (TRUSTEES)

Mr David Reichmann
Mr Dov Reichmann
Mrs A M Reichmann

SECRETARY

Mrs A M Reichmann

REGISTERED OFFICE

Berkeley House
18-24 High Street
Edgware
Middlesex
HA8 7RP

AUDITORS

Cohen Arnold & Co
13-17 New Burlington Place
Regent Street
London W1S 2HL

PRINCIPAL BANKERS

Barclays Bank Plc.
Edgware
Middlesex

COMPANY NUMBER

1674021

REGISTERED CHARITY NUMBER

286234

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

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SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS' (TRUSTEES') REPORT

The Governors (Trustees) have pleasure in presenting their Annual Report together with the Financial Statements of the Company for the year ended 5 April 2000.

LEGAL AND ADMINISTRATIVE INFORMATION

The Company is governed by Memorandum and Articles of Association.

OBJECTIVES, POLICIES AND ORGANISATION OF THE COMPANY

The Company is established to further both in the United Kingdom and abroad those purposes recognised as charitable by English Law. To achieve these objects, the Company utilises its income to make grants, donations and loans for charitable purposes.

The day to day affairs of the Company is administered by the Executive Committee.

REVIEW OF ACTIVITIES

During the year the Company continued its philanthropic activities in support of educational, religious and other Charitable Organisations and the aggregate of donations made was £133,620. No change in activities is envisaged in the immediate future.

RESULTS

The financial results of the Company for the year ended 5 April 2000 are fully reflected in the attached Financial Statements together with the Notes thereon.

FIXED ASSETS

The movements in Fixed Assets are fully reflected in Note 7 to the Financial Statements.

The Company's investment properties are included in the Balance Sheet at market value as disclosed in Note 7 to the Financial Statements.

GOVERNORS (TRUSTEES)

The Governors (Trustees) who served during the year, and who are still in office, are listed hereunder. None of the Governors (Trustees) has any beneficial interest in the Company.

Mr David Reichmann
Mr Dov Reichmann
Mrs A M Reichmann

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS' (TRUSTEES') REPORT

GOVERNORS' (TRUSTEES') RESPONSIBILITIES

Company law requires the Governors (Trustees) 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 its profit or loss for that period. In preparing the Financial Statements, the Governors (Trustees) are required to:

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) follow applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements
- iv) prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors (Trustees) are responsible for maintaining 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.

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, Cohen, Arnold & Co, are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the Council to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Council


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Mrs A M Reichmann (Secretary)

 28th Jan. 2001

REPORT OF THE AUDITORS' COHEN ARNOLD & CO.

TO THE MEMBERS

- OF -

SPARQUOTE LIMITED

(LIMITED BY GUARANTEE)

We have audited the Financial Statements on pages 4 to 12 which have been prepared under the historical cost convention and the Accounting Policies set out in Note 1.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS (TRUSTEES) AND AUDITORS

As indicated in the Governors' (Trustees') Report, the Governors (Trustees) are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on the Financial Statements and to report our opinion to you.

BASIS OF OPINION

We have 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 by the Governors (Trustees) 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.

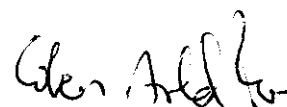
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence and to give reasonable assurance that the Financial Statements are free from material mis-statement, whether caused by fraud or other irregularity 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 affairs of the Company at 5 April 2000 and of its Results for the year then ended, and have been properly prepared in accordance with the Companies' Act 1985.

London

Date: 28th Jan. 2001



COHEN ARNOLD & CO
Chartered Accountants and
Registered Auditor

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

INCOME & EXPENDITURE ACCOUNT
(STATEMENT OF FINANCIAL ACTIVITIES)
FOR THE YEAR ENDED 5 APRIL 2000

	Notes	£	2000 £	£	1999 £	£
INCOME AND EXPENDITURE						
Incoming Resources						
Continuing Operations - Ongoing:						
Donations Received	1.5	-			90,909	
Investment Income	1.5,4	4,925			284	
Rents and Charges Receivable	1.5,3	254,792	259,717		227,500	318,693
Total Incoming Resources			259,717			318,693
Resources Expended						
Direct Charitable Expenditure:						
Grants and Donations		133,620			100,034	
Other Expenditure:						
Interest Payable and Related Costs	5	81,554			79,039	
Management and Administration	6	3,965			6,362	
Total Resources Expended			219,139			185,435
Net Incoming Resources			40,578			133,258
Surplus on Revaluation of Investment Properties	7		68,000			172,715
Net Movement of Funds			108,578			305,973
Total Funds Brought Forward			614,386			308,413
Total Funds Carried Forward			£722,964			£614,386

The notes on pages 7 to 12 form part of these Financial Statements.

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2000

	<u>2000</u> £	<u>1999</u> £
Gross Income of Continuing Operations:		
Ongoing	259,717	318,693
Total Income of Continuing Operations	259,717	318,693
Total Expenditure of Continuing Operations	(219,139)	(185,435)
Net Income for the Year	£40,578	£133,258

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 5 APRIL 2000

	<u>2000</u> £	<u>1999</u> £
Net Income for the Year	40,578	133,258
Surplus on Revaluation of Investment Properties	68,000	172,715
Total Recognised Gains Relating to the Year	£108,578	£305,973

The Net Income for the year represents the revenue on an historical cost basis.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 4 which, together with the notes to the accounts on pages 7 to 12, provides full information on the movements during the year in the funds of the Company. All Income is attributable to Unrestricted Funds.

The notes on pages 7 to 12 form part of these Financial Statements.

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 5 APRIL 2000

	Notes	£	<u>2000</u>	£	<u>1999</u>	£
FIXED ASSETS						
Tangible Assets	7		1,792,086		1,451,050	
CURRENT ASSETS						
Debtors	8	88,241		43,183		
Cash at Bank and on Deposit		34,203		76,118		
			122,444		119,301	
CREDITORS: Amounts falling due within one year	9	(162,619)		(135,308)		
NET CURRENT LIABILITIES			(40,175)		(16,007)	
TOTAL ASSETS LESS CURRENT LIABILITIES						
			1,751,911		1,435,043	
CREDITORS: Amounts falling due after more than one year	10		(1,028,947)		(820,657)	
NET ASSETS			£722,964		£614,386	
UNRESTRICTED FUNDS						
Revaluation Reserve	11		396,431		328,431	
Charitable Funds	11		326,533		285,955	
			£722,964		£614,386	

The Financial Statements were approved by the Council on 28th Jan 2001 and signed on its behalf by

.....
MR DAVID REICHMANN

GOVERNORS

.....
MR DOV REICHMANN

The notes on pages 7 to 12 form part of these Financial Statements.

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2000

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in the preparation of the Group's Financial Statements.

1.1 BASIS OF ACCOUNTING

The Financial Statements have been prepared under the Historical Cost Convention and in accordance with applicable Accounting Standards including Statement of Recommended Practice - Accounting by Charities, (SORP2).

1.2 PROPERTIES HELD FOR INVESTMENT

Properties held for investment are included at Governors' (Trustees') valuation.

1.3 ACQUISITIONS AND DISPOSALS OF PROPERTIES

Acquisitions and Disposals of properties are considered to take place at the date of legal completion and are included in the Financial Statements accordingly.

1.4 DEPRECIATION

Fixed assets are depreciated so as to write off their respective costs over their estimated useful lives.

The rates used are as follows:

Furniture, fittings and Office Equipment 25% Reducing Balance.

1.5 INCOME

This includes income from investments and deposits, rentals received from property assets, and grants and donations received by the Company.

1.6 CASH FLOW STATEMENT

The Company is exempted from the requirement to prepare a Cash Flow Statement (in accordance with Financial Reporting Standard No 1) on the basis of its being a 'small company' as defined by S247 Companies Act 1985.

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2000

2. FORMAT OF FINANCIAL STATEMENTS

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 as well as by Statement of Recommended Practice - Accounting by Charities, with suitable adaptation thereof which the Governors (Trustees) consider to be appropriate having regard to the nature of the Company's activities

3. NET RENTAL INCOME

The Net Rental Income is comprised as follows:

	<u>2000</u>	<u>1999</u>
	£	£
Rent and Other Charges Receivable	367,143	332,053
Property Outgoings	(112,351)	(104,553)
	£254,792	£227,500

4. INVESTMENT INCOME

	<u>2000</u>	<u>1999</u>
Bank Interest	-	284
Loan Interest (Note 12)	4,925	-
	£4,925	£284

5. INTEREST PAYABLE AND RELATED COSTS

	<u>2000</u>	<u>1999</u>
	£	£
On Mortgage Advances repayable in more than 5 years:		
Bank Loans	78,900	78,739
Costs of Obtaining Finance	2,654	300
	£81,554	£79,039

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2000

6. MANAGEMENT AND ADMINISTRATION

	<u>2000</u>	<u>1999</u>
	£	£
Auditors' Remuneration	2,235	3,467
Legal and Professional Fees	689	1,829
General Expenses	273	716
Bank Charges	505	-
Depreciation	263	350
	£3,965	£6,362

7. TANGIBLE FIXED ASSETS

	<u>Freehold and Long Leasehold Investment Properties</u>	<u>Furniture Fittings & Equipment</u>	<u>Total</u>
	£	£	£
At 6 April 1999	1,450,000	1,400	1,451,400
Acquisitions and Improvements	273,299	-	273,299
Revaluation	68,000	-	68,000
At 5 April 2000	1,791,299	£1,400	£1,792,699
Depreciation:			
At 6 April 1999	-	350	350
Charge for the year	-	263	263
At 5th April 2000	£-	£613	£613
Net Book Value at 5th April 2000	£1,791,299	£787	£1,792,086
Net Book Value at 5th April 1999	£1,450,000	£1,050	£1,451,050

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2000

7. TANGIBLE FIXED ASSETS (CONT.)

The Investment Properties are stated at Governors' (Trustees') valuation at £1,791,299.

The historical cost of the Company's Investment Properties at 5 April 2000 is £1,385,618. (1999: £1,121,569).

No Provision has been made for any latent liability to Corporation Tax on unrealised surpluses on revaluation of properties as it is anticipated that all realised surpluses will be applied for the benefit of this Company's charitable purposes and that no tax liability will arise.

8. DEBTORS

	<u>2000</u> £	<u>1999</u> £
Loan Debtors (Note 12)	77,750	-
Trade Debtors, Other Debtors and Prepayments	10,215	22,274
Income Tax Repayable	276	20,909
	£88,241	£43,183

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2000</u> £	<u>1999</u> £
Current Instalments of:		
Term Loans (Note 10)	50,522	34,215
Rent Charged in Advance	35,032	28,503
Rental Deposits	72,134	66,730
Other Creditors and Accruals	4,931	5,860
	£162,619	£135,308

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2000

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>Interest</u> <u>Rates</u>	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
<u>Bank Loans</u>			
Amounts repayable after five years:			
Instalments terminating in 2008	8.18%	56,450	58,891
Instalments terminating in 2012	9.25%	542,418	565,706
Instalments terminating in 2013	8.48%	221,000	230,275
Instalments terminating in 2013	8.01%	259,601	-
		1,079,469	854,872
<u>Less:</u> Amounts repayable within one year		(50,522)	(34,215)
		£1,028,947	£820,657

The loans are secured by fixed legal charges over the Company's freehold properties and a floating charge over the company's other assets.

11. UNRESTRICTED FUNDS

	<u>Revaluation</u> <u>Reserve</u> <u>£</u>	<u>Charitable</u> <u>Funds</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>£</u>
Balance at 6 April 1999	328,431	285,955	614,386
Surplus on Revaluation of Investment Properties	68,000	-	68,000
Net Income for the Year	-	40,578	40,578
Balance at 5 April 2000	£396,431	£326,533	£722,764

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2000

12. RELATED PARTY TRANSACTIONS

Included in Loan Debtors is an amount of £77,750 (1999: Nil) due from Reichman Properties Limited. £70,000 of the aforementioned Loan bears interest at 1½% over the base rate and is repayable on Demand. The balance of the loan was on a short term basis which has been repaid after the year end. Mr David Reichman and Mr Dov Reichman, Governors of this company, are also Directors of Reichman Properties Limited and hold 33% of the issued Share Capital of Reichman Properties Limited.

13. CONTROLLING PARTY

The Company has no controlling Party.