

Newchase Limited
Annual Report
for the year ended 31 March 1999

Registered No: 1985607

Mtb/0651JM



Newchase Limited

Annual Report for the year ended 31 March 1999

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Directors' report for the year ended 31 March 1999

The directors submit their report and the audited financial statements for the year ended 31 March 1999.

Principal activities and review of business

The profit and loss account for the year is set out on page 4.

The principal activity of the company continued to be that of property development.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

Directors

The directors of the company at 31 March 1999, both of whom have been directors for the whole of the year ended on that date, are listed below:

W W Rhodes
B Money

Directors' interests

The interests of the directors of the company in the shares of the company at 31 March 1999 together with their interests at 31 March 1998 were:

	1999 Number	1998 Number
Ordinary shares of £1 each		
W W Rhodes	82,068	82,068

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 1999. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Directors' report
for the year ended 31 March 1999**

Elective resolutions

Elective resolutions were passed by the members on 13 December 1991 whereby the company has dispensed with the laying accounts and reports before the company in general meeting; has dispensed with the holding of annual general meetings and has dispensed with the obligation to appoint auditors annually.

By order of the board

A handwritten signature in black ink, appearing to read 'W W Rhodes', with a stylized flourish at the end.

**W W Rhodes
Company Secretary**

Report of the auditors to the members of Newchase Limited

We have audited the financial statements on pages 4 to 9, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 1, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit 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 judgements 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 at 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Derby

14 May 1999

**Profit and loss account
for the year ended 31 March 1999**

	Notes	1999 £	1998 £
Turnover	1	-	-
Cost of sales		-	-
Gross profit		-	-
Net operating expenses	2	(13,334)	(16,457)
Operating (loss)		(13,334)	(16,457)
Other operating income		116,525	116,525
Net interest payable and similar charges	5	(33,618)	(36,855)
Profit on ordinary activities before taxation	6	69,573	63,213
Tax on profit on ordinary activities	7	(14,380)	(14,000)
Retained profit for the financial year	13	55,193	49,213

The company has no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains or losses has been presented.

There is no difference between profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

All amounts relate to continuing operations.

Newchase Limited

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Balance sheet at 31 March 1999

	Notes	1999 £	1998 £
Current assets			
Stock	8	807,481	807,481
Debtors	9	6,120	6,120
		813,601	813,601
Creditors: amounts falling due within one year	10	(106,990)	(282,918)
Net current assets		706,611	530,683
Creditors: amounts falling due after one year	11	(314,943)	(194,208)
Net assets		391,668	336,475
Capital and reserves			
Called up share capital	12	126,668	126,668
Profit and loss account	13	265,000	209,807
Equity shareholders' funds	14	391,668	336,475

The financial statements on pages 4 to 9 were approved by the board of directors on 12 May 1999 and were signed on its behalf by:



W W Rhodes
Director

**Notes to the financial statements
year ended 31 March 1999****1 Accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement as required by FRS 1 as it qualifies as a small company.

Turnover

Turnover is the invoiced value of properties sold excluding VAT and consists entirely of sales made in the United Kingdom.

Deferred taxation

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Work in progress

Work in progress is stated at the lower of cost and net realisable value. Cost comprises direct expenditure.

2 Net operating expenses

	1999 £	1998 £
Administrative expenses	13,334	16,457
	<u> </u>	<u> </u>

3 Directors' emoluments

The directors received no remuneration in respect of their services to the company (1998: £Nil).

4 Employee information

The company had no employees during the year (1998 : None).

Notes to the financial statements year ended 31 March 1999

5 Net interest and similar charges

	1999 £	1998 £
Interest payable on bank loans and overdrafts	(33,618)	(37,540)
Sundry interest receivable	-	685
	<u>(33,618)</u>	<u>(36,855)</u>

6 Profit on ordinary activities before taxation

	1999 £	1998 £
Profit on ordinary activities before taxation is stated after charging:		
Auditor's remuneration	1,000	1,187
	<u>1,000</u>	<u>1,187</u>

7 Tax on profit on ordinary activities

	1999 £	1998 £
United Kingdom corporation tax at 20% (1998: 21%)		
Current	15,000	14,000
Prior year adjustment for overprovision	(620)	-
	<u>14,380</u>	<u>14,000</u>

8 Stock

	1999 £	1998 £
Work in progress	807,481	807,481
	<u>807,481</u>	<u>807,481</u>

9 Debtors

	1999 £	1998 £
Amounts falling due within one year:		
Deferred taxation	6,120	6,120
	<u>6,120</u>	<u>6,120</u>

Notes to the financial statements year ended 31 March 1999

10 Creditors: amounts falling due within one year

	1999 £	1998 £
Bank overdraft (note 11)	4,017	194,538
Bank loan (note 11)	23,308	9,715
Directors' current account	33,333	33,333
Accruals and deferred income	31,332	31,332
Corporation tax payable	15,000	14,000
	<u>106,990</u>	<u>282,918</u>

11 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Bank loan	<u>314,943</u>	<u>194,208</u>
Bank loan repayable as follows:		
In one year or less	23,308	9,715
Between one and two years	25,173	10,612
Between two and five years	88,257	38,099
Five years or more	201,513	145,497
	<u>338,251</u>	<u>203,923</u>

The bank loan and overdraft are secured by a legal charge over property held in work in progress.

The loan is repayable over 135 months by equal monthly instalments of £4,197 and carries interest at a rate of 2% above base rate, subject to a minimum rate of 6% per annum.

12 Share capital

	1999 £	1998 £
Authorised		
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>
Allotted, called up and fully paid		
126,668 Ordinary shares of £1 each	<u>126,668</u>	<u>126,668</u>

**Notes to the financial statements
year ended 31 March 1999**

13 Profit and loss account

	£
At 1 April 1998	209,807
Profit for the year	55,193
At 31 March 1999	265,000

14 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Opening shareholders' funds	336,475	287,262
Profit for the financial year	55,193	49,213
Closing shareholders' funds	391,668	336,475

15 Related party transactions

Other creditors include a loan made to the company of £33,333 (1998: £33,333) by W W Rhodes, a shareholder and director. The loan is interest free, unsecured and repayable on demand.

Work in progress consists of development properties purchased from a company in which B Money, a director of Newchase Limited, has a material interest.

The accounts include consultancy fees of £10,000 (1998: £10,000) paid to Chase (Design and Build) Limited, a company in which B Money has a material interest as a shareholder.

16 Ultimate controlling party

W W Rhodes is the ultimate controlling party by virtue of his controlling interest in the company's equity capital.