

Newchase Limited

Annual Report

for the year ended 31 March 2000

Registered No: 1985607



Newchase Limited

Annual Report for the year ended 31 March 2000

Contents	Pages
Directors' report	1
Report of the auditors	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6

**Directors' report
for the year ended 31 March 2000**

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

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 2000, 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 2000 together with their interests at 31 March 1999 were:

	2000 Number	1999 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 2000. 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 2000**

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.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom 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 United Kingdom 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.

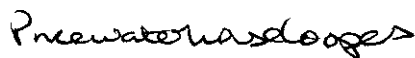
Basis of audit opinion

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 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Derby

5 June 2000

Profit and loss account for the year ended 31 March 2000

	Notes	2000 £	1999 £
Turnover	1	-	-
Cost of sales		-	-
Gross profit		-	-
Net operating expenses	2	(15,821)	(13,334)
Operating (loss)		(15,821)	(13,334)
Other operating income		122,881	116,525
Interest payable and similar charges	5	(24,425)	(33,618)
Profit on ordinary activities before taxation	6	82,635	69,573
Tax on profit on ordinary activities	7	(16,610)	(14,380)
Retained profit for the financial year	13	66,025	55,193

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.

Balance sheet at 31 March 2000

	Notes	2000 £	1999 £
Current assets			
Stock	8	807,481	807,481
Debtors	9	6,120	6,120
Cash at bank		6,146	-
		<u>819,747</u>	<u>813,601</u>
Creditors: amounts falling due within one year	10	(79,059)	(106,990)
		<u>740,688</u>	<u>706,611</u>
Net current assets			
Creditors: amounts falling due after one year	11	(282,995)	(314,943)
		<u>457,693</u>	<u>391,668</u>
Net assets			
Capital and reserves			
Called up share capital	12	126,668	126,668
Profit and loss account	13	331,025	265,000
		<u>457,693</u>	<u>391,668</u>
Equity shareholders' funds	14		
		<u>457,693</u>	<u>391,668</u>

The financial statements on pages 4 to 9 were approved by the board of directors on 1st June 2000 and were signed on its behalf by:



W W Rhodes
Director

Notes to the financial statements year ended 31 March 2000

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

	2000 £	1999 £
Administrative expenses	15,821	13,334

3 Directors' emoluments

The directors received no remuneration in respect of their services to the company (1999: £Nil).

4 Employee information

The company had no employees during the year (1999: None).

Notes to the financial statements year ended 31 March 2000

5 Interest payable and similar charges

	2000 £	1999 £
Interest payable on bank loans and overdrafts	<u>24,425</u>	<u>33,618</u>

6 Profit on ordinary activities before taxation

	2000 £	1999 £
Profit on ordinary activities before taxation is stated after charging:		
Auditor's remuneration	<u>1,000</u>	<u>1,000</u>

7 Tax on profit on ordinary activities

	2000 £	1999 £
United Kingdom corporation tax at 20% (1999: 20%)		
Current	17,000	15,000
Prior year adjustment for over-provision	(390)	(620)
	<u>16,610</u>	<u>14,380</u>

8 Stock

	2000 £	1999 £
Work in progress	<u>807,481</u>	<u>807,481</u>

9 Debtors

	2000 £	1999 £
Amounts falling due within one year:		
Deferred taxation	<u>6,120</u>	<u>6,120</u>

Notes to the financial statements year ended 31 March 2000

10 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank overdraft	-	4,017
Bank loan (note 11)	28,559	23,308
Director's loan account	-	33,333
Accruals and deferred income	33,500	31,332
Corporation tax payable	17,000	15,000
	<u>79,059</u>	<u>106,990</u>

11 Creditors: amounts falling due after more than one year

	2000 £	1999 £
Bank loan	282,995	314,943
Bank loan repayable as follows:		
In one year or less	28,559	23,308
Between one and two years	30,086	25,173
Between two and five years	103,353	88,257
Five years or more	149,556	201,513
	<u>311,554</u>	<u>338,251</u>

The bank loan is 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

	2000 £	1999 £
Authorised		
250,000 Ordinary shares of £1 each	250,000	250,000
Allotted, called up and fully paid		
126,668 Ordinary shares of £1 each	126,668	126,668

Notes to the financial statements year ended 31 March 2000

13 Profit and loss account

	£
At 1 April 1999	265,000
Profit for the year	66,025
At 31 March 2000	331,025

14 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Opening shareholders' funds	391,668	336,475
Profit for the financial year	66,025	55,193
Closing shareholders' funds	457,693	391,668

15 Related party transactions

During the year the company repaid the loan of £33,333 from W W Rhodes, a shareholder and director. The loan was 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 (1999: £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.