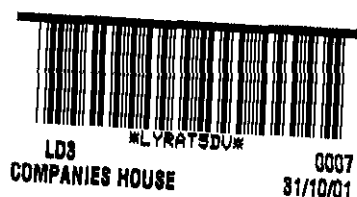


**FISKS PLC**  
**DIRECTOR'S REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2001**



# **FISKS PLC**

## **COMPANY INFORMATION**

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|                          |                                                                                            |
|--------------------------|--------------------------------------------------------------------------------------------|
| <b>Director</b>          | J. Pring                                                                                   |
| <b>Secretary</b>         | C. Pring                                                                                   |
| <b>Company number</b>    | 2065607                                                                                    |
| <b>Registered office</b> | 9 Nelson Street<br>Southend-on-Sea<br>Essex<br>SS1 1EH                                     |
| <b>Auditors</b>          | Rickard Keen<br>9 Nelson Street<br>Southend-on-Sea<br>Essex<br>SS1 1EH                     |
| <b>Solicitors</b>        | Tolhurst Fisher<br>Trafalgar House<br>Nelson Street<br>Southend-on-Sea<br>Essex<br>SS1 1EF |
| <b>Bankers</b>           | Natwest Bank Plc<br>P O Box 440<br>58 Broadway<br>Leigh-on-Sea<br>Essex<br>SS1 1BE         |

# FISKS PLC

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# **FISKS PLC**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 31ST MARCH 2001**

---

The director presents his report and the audited accounts for the company for the year ended 31st March 2001.

#### **Principal activities and review of business**

The company, continued in its principal activity of estate agency franchising.

#### **Results and dividends**

The results for the year are set out in the profit and loss account on page 4.

The director considers the loss achieved on ordinary activities before taxation to be satisfactory.

The director considers the state of the company's affairs to be satisfactory.

The director does not recommend a dividend .

#### **Director and his interests**

The director who held office during the year and his beneficial interest in the company's issued share capital are given below:

| <b>Name of director</b> | <b>Share type</b> | <b>At 31st March 2001</b> | <b>At 1st April 2000</b> |
|-------------------------|-------------------|---------------------------|--------------------------|
| J. Pring                | Ordinary          | 49,999                    | 49,999                   |

#### **Statement of director's responsibilities**

Company law requires the director to prepare accounts 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 for that year. In preparing those accounts the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

# FISKS PLC

## DIRECTOR'S REPORT

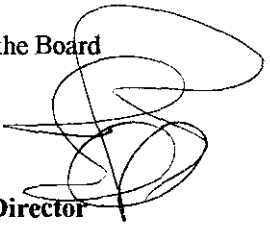
FOR THE YEAR ENDED 31ST MARCH 2001

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### Auditors

A resolution to re-appoint Rickard Keen Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

By order of the Board

  
J. Pring, Director

Date: 31.10.01

# AUDITORS' REPORT TO THE SHAREHOLDERS OF FISK PLC

---

We have audited the accounts on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

## Respective responsibilities of director and auditors

As described on page 2 the company's director is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 the information in the accounts.

## Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in the notes to the accounts concerning the ability of the company to continue trading as a going concern which is dependent upon the continued support of the director and the companies controlled by him. In view of the significance of this uncertainty we consider it should be drawn to your attention but our opinion is not qualified in this respect.

## Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 2001 and of its loss and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Rickard Keen**  
**Chartered Accountants and Registered Auditors**  
**9 Nelson Street**  
**Southend-on-Sea**  
**Essex**  
**SS1 1EH**

Date: 31 October 2001

**FISKS PLC****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST MARCH 2001**

|                                                    | Notes | 2001<br>£        | 2000<br>£        |
|----------------------------------------------------|-------|------------------|------------------|
| Turnover                                           | 2     | 83,574           | 87,955           |
| Administrative expenses                            |       | (247,269)        | (271,724)        |
| <b>Operating loss</b>                              | 3     | <b>(163,695)</b> | <b>(183,769)</b> |
| Interest payable and similar charges               | 5     | (9,431)          | (1,164)          |
| <b>Loss on ordinary activities before taxation</b> |       | <b>(173,126)</b> | <b>(184,933)</b> |
| Tax on loss on ordinary activities                 | 6     | -                | 1,825            |
| <b>Loss for the financial year</b>                 |       | <b>(173,126)</b> | <b>(183,108)</b> |
| <b>Retained loss/profit brought forward</b>        |       | <b>(180,544)</b> | <b>2,564</b>     |
| <b>Retained loss carried forward</b>               |       | <b>(353,670)</b> | <b>(180,544)</b> |

All amounts relate to continuing activities.

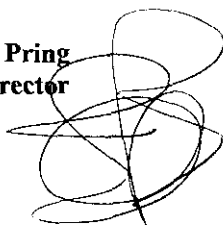
There were no recognised gains or losses for 2001 or 2000 other than those included in the profit and loss account.

**FISKS PLC****BALANCE SHEET****AS AT 31ST MARCH 2001**

|                                                                | Notes | £             | 2001<br>£        | £             | 2000<br>£        |
|----------------------------------------------------------------|-------|---------------|------------------|---------------|------------------|
| <b>Fixed assets</b>                                            |       |               |                  |               |                  |
| Intangible assets                                              | 7     |               | 187,564          |               | 227,564          |
| Tangible assets                                                | 8     |               | 8,675            |               | 4,830            |
|                                                                |       |               | <u>196,239</u>   |               | <u>232,394</u>   |
| <b>Current assets</b>                                          |       |               |                  |               |                  |
| Stocks                                                         | 9     | 2,792         |                  | 1,200         |                  |
| Debtors                                                        | 10    | 52,687        |                  | 17,412        |                  |
| Cash at bank and in hand                                       |       | 100           |                  | 100           |                  |
|                                                                |       | <u>55,579</u> |                  | <u>18,712</u> |                  |
| <b>Creditors: amounts falling due within one year</b>          | 11    | (542,913)     |                  | (419,075)     |                  |
| <b>Net current liabilities</b>                                 |       |               | <u>(487,334)</u> |               | <u>(400,363)</u> |
| <b>Total assets less current liabilities</b>                   |       |               | <u>(291,095)</u> |               | <u>(167,969)</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 12    |               | <u>(50,000)</u>  |               | <u>-</u>         |
|                                                                |       |               | <u>(341,095)</u> |               | <u>(167,969)</u> |
| <b>Capital and reserves</b>                                    |       |               |                  |               |                  |
| Share capital                                                  | 15    |               | 12,575           |               | 12,575           |
| Profit and loss account                                        |       |               | <u>(353,670)</u> |               | <u>(180,544)</u> |
| <b>Shareholders' funds</b>                                     | 16    |               | <u>(341,095)</u> |               | <u>(167,969)</u> |

These accounts were approved by the board on 31.10.01

and signed on its behalf by:

**J. Pring  
Director**

# FISKS PLC

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2001

|                                                                                    | Notes | 2001<br>£        | 2000<br>£       |
|------------------------------------------------------------------------------------|-------|------------------|-----------------|
| <b>Reconciliation of operating loss to net cash flow from operating activities</b> |       |                  |                 |
| Operating loss                                                                     |       | (163,695)        | (183,769)       |
| Depreciation                                                                       |       | 1,478            | 2,012           |
| Amortisation of intangible fixed assets                                            |       | 60,000           | 56,900          |
| Increase in stocks                                                                 |       | (1,592)          | (1,200)         |
| Increase/Decrease in debtors                                                       |       | (35,275)         | 74,597          |
| Increase in creditors                                                              |       | 44,696           | 78,385          |
| <b>Net cash outflow/inflow from operating activities</b>                           |       | <b>(94,388)</b>  | <b>26,925</b>   |
| <b>CASH FLOW STATEMENT</b>                                                         |       |                  |                 |
| <b>Net cash outflow/inflow from operating activities</b>                           |       | <b>(94,388)</b>  | <b>26,925</b>   |
| <b>Returns on investments and servicing of finance</b>                             | 19    | <b>(9,431)</b>   | <b>(1,164)</b>  |
| <b>Taxation</b>                                                                    |       | -                | -               |
| <b>Capital expenditure and financial investment</b>                                | 19    | <b>(25,323)</b>  | <b>(45,266)</b> |
| <b>Cash outflow before use of liquid resources and financing</b>                   |       | <b>(129,142)</b> | <b>(19,505)</b> |
| <b>Financing</b>                                                                   | 19    | <b>50,000</b>    | <b>12,475</b>   |
| <b>Decrease in cash</b>                                                            |       | <b>(79,142)</b>  | <b>(7,030)</b>  |
| <b>Reconciliation of net cash flow to movement in net debt</b>                     |       |                  |                 |
| <b>Decrease in cash in the year</b>                                                |       | <b>(79,142)</b>  | <b>(7,030)</b>  |
| <b>Increase in loans</b>                                                           | 20    | <b>(50,000)</b>  | -               |
| <b>Net debt at 1st April 2000</b>                                                  |       | <b>(3,690)</b>   | <b>3,337</b>    |
| <b>Net debt at 31st March 2001</b>                                                 | 20    | <b>(132,832)</b> | <b>(3,693)</b>  |

# **FISKS PLC**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 31ST MARCH 2001**

---

#### **1 Accounting policies**

##### **Basis of accounting**

The Accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention. The accounts have been prepared on a going concern basis as the company continues to receive support from the director and the companies controlled by him.

##### **Turnover**

Turnover is the total amount receivable by the company for services provided, excluding VAT and trade discounts.

##### **Tangible fixed assets and depreciation**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

|                       |         |
|-----------------------|---------|
| Motor vehicles        | 5 years |
| Fixtures and fittings | 5 years |
| Computer equipment    | 5 years |

##### **Development Costs**

Development costs relate to the creation of an estate agency franchising business. These costs are being amortised equally over five years. This policy will be reviewed annually in the light of performance achieved.

##### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

##### **Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to crystallise.

#### **2 Turnover**

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

# FISKS PLC

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST MARCH 2001

---

#### 3 Operating loss

*The operating loss is stated after charging or crediting:*

|                                        | 2001   | 2000   |
|----------------------------------------|--------|--------|
|                                        | £      | £      |
| Depreciation of tangible fixed assets: |        |        |
| -owned assets                          | 1,478  | 2,012  |
| Amortisation of development costs      | 60,000 | 56,900 |
| Auditors' remuneration                 | 2,544  | 3,700  |

---

#### 4 Director and employees

Staff costs, including director's remuneration, were as follows:

|                       | 2001   | 2000   |
|-----------------------|--------|--------|
|                       | £      | £      |
| Wages and salaries    | 55,542 | 72,892 |
| Social security costs | 7,609  | 6,931  |
| Staff agency costs    | -      | 4,043  |
|                       | 63,151 | 83,866 |

---

The average monthly number of employees, including the director, during the year was as follows:

|            | 2001   | 2000   |
|------------|--------|--------|
|            | Number | Number |
| Management | 3      | 3      |

---

#### 5 Interest payable and similar charges

|                                               | 2001  | 2000  |
|-----------------------------------------------|-------|-------|
|                                               | £     | £     |
| Interest payable on bank loans and overdrafts | 4,880 | 1,164 |
| Interest payable on other loans               | 4,551 | -     |
|                                               | 9,431 | 1,164 |

---

#### 6 Taxation

|                                       | 2001 | 2000    |
|---------------------------------------|------|---------|
|                                       | £    | £       |
| Based on the loss for the year:       |      |         |
| UK corporation tax at 20% (2000: 20%) | -    | (1,825) |

---

# FISKS PLC

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST MARCH 2001

#### 7 Intangible fixed assets

|                           | Development<br>Expenditure<br>£ |
|---------------------------|---------------------------------|
| <b>Cost</b>               |                                 |
| At 1st April 2000         | 284,464                         |
| Additions                 | 20,000                          |
| <b>At 31st March 2001</b> | <b>304,464</b>                  |
| <b>Amortisation</b>       |                                 |
| At 1st April 2000         | 56,900                          |
| Provided during the year  | 60,000                          |
| <b>At 31st March 2001</b> | <b>116,900</b>                  |
| <b>Net book value</b>     |                                 |
| <b>At 31st March 2001</b> | <b>187,564</b>                  |
| <i>At 31st March 2000</i> | <i>227,564</i>                  |

#### 8 Tangible fixed assets

|                           | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£    |
|---------------------------|----------------------------------|----------------------------|---------------|
| <b>Cost</b>               |                                  |                            |               |
| At 1st April 2000         | 3,214                            | 2,394                      | 5,608         |
| Additions                 | 5,323                            | -                          | 5,323         |
| <b>At 31st March 2001</b> | <b>8,537</b>                     | <b>2,394</b>               | <b>10,931</b> |
| <b>Depreciation</b>       |                                  |                            |               |
| At 1st April 2000         | 638                              | 140                        | 778           |
| Charge for the year       | 1,000                            | 478                        | 1,478         |
| <b>At 31st March 2001</b> | <b>1,638</b>                     | <b>618</b>                 | <b>2,256</b>  |
| <b>Net book value</b>     |                                  |                            |               |
| <b>At 31st March 2001</b> | <b>6,899</b>                     | <b>1,776</b>               | <b>8,675</b>  |
| <i>At 31st March 2000</i> | <i>2,576</i>                     | <i>2,254</i>               | <i>4,830</i>  |

|                  |             |             |
|------------------|-------------|-------------|
| <b>9 Stocks</b>  | <b>2001</b> | <b>2000</b> |
|                  | £           | £           |
| Goods for resale | 2,792       | 1,200       |

# FISKS PLC

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2001

|           |                                                                |                |                |
|-----------|----------------------------------------------------------------|----------------|----------------|
| <b>10</b> | <b>Debtors</b>                                                 | <b>2001</b>    | <b>2000</b>    |
|           |                                                                | <b>£</b>       | <b>£</b>       |
|           | Trade debtors                                                  | 43,885         | 10,189         |
|           | Other debtors                                                  | 1,959          | 2,132          |
|           | Prepayments and accrued income                                 | 6,843          | 5,091          |
|           |                                                                | <u>52,687</u>  | <u>17,412</u>  |
| <br>      |                                                                |                |                |
| <b>11</b> | <b>Creditors: amounts falling due within one year</b>          | <b>2001</b>    | <b>2000</b>    |
|           |                                                                | <b>£</b>       | <b>£</b>       |
|           | Bank loans and overdrafts (Note 13)                            | 82,932         | 3,790          |
|           | Trade creditors                                                | 28,757         | 20,588         |
|           | Corporation tax                                                | -              | -              |
|           | Other taxes and social security                                | 5,667          | 2,518          |
|           | Other creditors                                                | 414,109        | 385,525        |
|           | Accruals and deferred income                                   | 11,448         | 6,654          |
|           |                                                                | <u>542,913</u> | <u>419,075</u> |
| <br>      |                                                                |                |                |
| <b>12</b> | <b>Creditors: amounts falling due after more than one year</b> | <b>2001</b>    | <b>2000</b>    |
|           |                                                                | <b>£</b>       | <b>£</b>       |
|           | Director's loan                                                | <u>50,000</u>  | <u>-</u>       |
| <br>      |                                                                |                |                |
| <b>13</b> | <b>Loans and borrowings</b>                                    | <b>2001</b>    | <b>2000</b>    |
|           |                                                                | <b>£</b>       | <b>£</b>       |
|           | <b>Analysis of loans</b>                                       |                |                |
|           | Bank loans and overdraft                                       | 82,932         | 3,790          |
|           | Director's loan                                                | <u>50,000</u>  | <u>-</u>       |
| <br>      |                                                                |                |                |
|           | <b>Maturity of debt</b>                                        |                |                |
|           | In one year or less, or on demand                              | 82,932         | 3,790          |
|           | In more than one year                                          | <u>50,000</u>  | <u>-</u>       |

# FISKS PLC

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST MARCH 2001

---

#### 14 Deferred taxation

No provision for deferred taxation has been made during the year.

The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 20 % (2000: 20%). This liability is not expected to crystallise due to the corporation tax losses available to offset against it from previous periods trading.

|                                | Amount unprovided |      |
|--------------------------------|-------------------|------|
|                                | 2001              | 2000 |
|                                | £                 | £    |
| Accelerated capital allowances | 315               | 315  |

---

#### 15 Share capital

##### Authorised Equity shares

50,000 Ordinary shares of £1.00 each

| 2001 | 2000 |
|------|------|
| £    | £    |

|        |        |
|--------|--------|
| 50,000 | 50,000 |
|--------|--------|

---

##### Allotted

##### Equity shares

50,000 Allotted, (49,900 shares called up and one quarter paid up) ordinary shares of £1.00 each

|        |        |
|--------|--------|
| 12,575 | 12,575 |
|--------|--------|

---

#### 16 Reconciliation of movement in shareholders' funds

Loss for the financial year  
Issue of share capital

| 2001      | 2000      |
|-----------|-----------|
| £         | £         |
| (173,126) | (183,108) |
| -         | 12,475    |

---

Decrease in the shareholders' funds  
Opening shareholders' funds

|           |           |
|-----------|-----------|
| (173,126) | (170,633) |
| (167,969) | 2,664     |

---

Closing shareholders' funds

|           |           |
|-----------|-----------|
| (341,095) | (167,969) |
|-----------|-----------|

---

# FISKS PLC

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST MARCH 2001

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#### 17 Transactions with director

During the year the company received franchise fee income of £60,741 (2000:£73,486) in the normal course of business from John Fisk and Co, an organisation in which J Pring has a controlling interest.

During the year the company was charged administration expenses by John Pring Construction Ltd of £24,217 (2000:£19,836), an organisation in which J Pring has a controlling interest.

At the year end £304,000 (2000: £304,000) was owed to The John Pring Group Limited, a company in which J Pring has a controlling interest. The loan is made on an interest free basis and is currently without repayment terms.

During the year, Bowman Builders, an organisation in which J Pring has a controlling interest, was repaid £9,000 (lent £14,525 to Fisks PLC in 2000) by Fisks PLC. At the balance sheet date the loan remaining outstanding was £72,525 (2000 £81,525). The loan is made on an interest free basis and is currently without repayment terms.

#### 18 Related parties

In the director's opinion the company is ultimately controlled by J Pring who is a director of the company.

| 19                                                     | Gross cash flows                                      | 2001<br>£       | 2000<br>£       |
|--------------------------------------------------------|-------------------------------------------------------|-----------------|-----------------|
| <b>Returns on investments and servicing of finance</b> |                                                       |                 |                 |
|                                                        | Interest paid                                         | (9,431)         | (1,164)         |
|                                                        |                                                       | <u>(9,431)</u>  | <u>(1,164)</u>  |
| <b>Capital expenditure and financial investment</b>    |                                                       |                 |                 |
|                                                        | Payments to acquire intangible fixed assets           | (20,000)        | (49,075)        |
|                                                        | Payments to acquire tangible fixed assets             | (5,323)         | (2,699)         |
|                                                        | Proceeds from the sale of tangible fixed assets       | -               | 6,508           |
|                                                        |                                                       | <u>(25,323)</u> | <u>(45,266)</u> |
| <b>Financing</b>                                       |                                                       |                 |                 |
|                                                        | Issue of ordinary share capital                       | -               | 12,475          |
|                                                        | Increase in director's loan due in more than one year | <u>50,000</u>   | <u>-</u>        |

# FISKS PLC

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2001

---

### 20 Analysis of changes in net debt

|                          | 2000    | Cash flows | 2001      |
|--------------------------|---------|------------|-----------|
|                          | £       | £          | £         |
| Cash at bank and in hand | 100     | -          | 100       |
| Overdrafts               | (3,790) | (79,142)   | (82,932)  |
|                          | (3,690) | (79,142)   | (82,832)  |
| Debt due after one year  | -       | (50,000)   | (50,000)  |
|                          | -       | (50,000)   | (50,000)  |
|                          | (3,690) | (129,142)  | (132,832) |