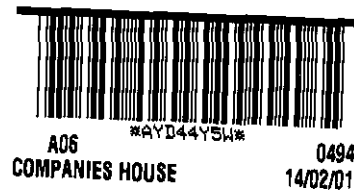


**CHURCH HOUSE PROPERTIES LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000**



Mycock, Allatson & Co.  
Chartered Accountants  
139 Middleton Boulevard  
Wollaton Park  
Nottingham  
NG8 1FW

Tel: (0115) 913 2233

**CHURCH HOUSE PROPERTIES LIMITED**

**INDEX TO THE FINANCIAL STATEMENTS**

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Company Information               | 1           |
| Report of the directors           | 2           |
| Report of the accountants         | 3           |
| Profit and loss account           | 4           |
| Balance sheet                     | 5           |
| Notes to the financial statements | 6-10        |

**CHURCH HOUSE PROPERTIES LIMITED**

**COMPANY INFORMATION**

|                   |                                                                                                                      |
|-------------------|----------------------------------------------------------------------------------------------------------------------|
| Directors         | M S B Cross<br>Mrs P M Cross<br>Mrs L Cross (appointed 1 June 1999)                                                  |
| Secretary         | M S B Cross                                                                                                          |
| Registered Office | 50a Gertrude Road<br>West Bridgford<br>Nottingham<br>NG2 5BY                                                         |
| Registered Number | 2400913                                                                                                              |
| Accountants:      | Mycock, Allatson & Co.<br>Chartered Accountants<br>139 Middleton Boulevard<br>Wollaton Park<br>Nottingham<br>NG8 1FW |

**CHURCH HOUSE PROPERTIES LIMITED****REPORT OF THE DIRECTORS**

The directors present their report with the financial statements of the company for the year ended 31 May 2000.

**Principal activity**

The principal activity of the company in the year was that of property management.

**Review of business**

The results for the year, financial position of the company, and recommended transfer to reserves are as shown in the annexed financial statements.

The directors consider that the trading results and the financial position as shown by the balance sheet are satisfactory.

**Dividend**

The directors recommended and paid a dividend of £16,000 (1999 - £Nil).

**Directors and share capital**

The directors in office during the year and their beneficial interests in the issued share capital were as follows:-

| Name          | Class of Capital | 2000 | 1999 |
|---------------|------------------|------|------|
| Mrs P M Cross | Ordinary £1      | 48   | 48   |
| D A W B Cross | Ordinary £1      | 45   | 49   |
| M S B Cross   | Ordinary £1      | 6    | 2    |

In accordance with the articles of association the directors are not required to retire by rotation.

By order of the board



.....  
M S B Cross  
Secretary

Dated: 12 January 2001.

**ACCOUNTANTS REPORT TO THE DIRECTORS OF  
CHURCH HOUSE PROPERTIES LIMITED**

In accordance with instructions given to us we have prepared, without carrying out an audit, the financial statements set out on pages 4 to 10 from the accounting records of the company and from information and explanations given to us.

**Mycock, Allatson & Co.  
Chartered Accountants  
139 Middleton Boulevard  
Wollaton Park  
Nottingham  
NG8 1FW**

*Mycock, Allatson & Co.*

Dated: 12 January 2001

## CHURCH HOUSE PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2000**

|                                                                 | Notes | 2000<br>£       | 1999<br>£       |
|-----------------------------------------------------------------|-------|-----------------|-----------------|
| Turnover                                                        | 2     | 47,204          | 40,177          |
| <b>Gross profit</b>                                             |       | 47,204          | 40,177          |
| Administrative expenses                                         |       | (49,776)        | (30,260)        |
| <b>Operating (loss)/profit</b>                                  |       | (2,572)         | 9,917           |
| Interest receivable and similar income                          | 4     | -               | -               |
| Interest payable and similar charges                            | 5     | -               | (3,656)         |
| <b>(Loss)/Profit on ordinary activities<br/>before taxation</b> | 6     | (2,572)         | 6,261           |
| Tax on (loss)/profit on ordinary activities                     | 7     | 515             | (1,279)         |
| <b>(Loss)/Profit on ordinary activities<br/>after taxation</b>  |       | (2,057)         | 4,982           |
| Dividends                                                       |       | 16,000          | -               |
| <b>Retained profit brought forward</b>                          |       | 187,584         | 200,659         |
| <b>Retained profit carried forward</b>                          |       | <u>£187,584</u> | <u>£205,641</u> |

There is no material difference between the historical cost profit and the profit for the financial year reported above. The results for the financial year reflect all recognised gains and losses and relate to continuing operations.

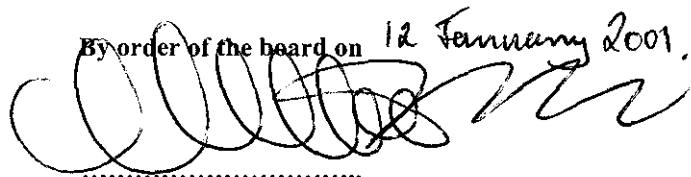
## CHURCH HOUSE PROPERTIES LIMITED

BALANCE SHEET  
AS AT 31 MAY 2000

|                                                                | Notes | 2000      |           | 1999      |           |
|----------------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
|                                                                |       | £         | £         | £         | £         |
| <b>Fixed assets</b>                                            |       |           |           |           |           |
| Tangible assets                                                | 8     |           | 798,228   |           | 353,596   |
| <b>Current assets</b>                                          |       |           |           |           |           |
| Debtors                                                        | 9     | 11,240    |           | 10,138    |           |
| Cash at bank                                                   |       | -         |           | 1,943     |           |
|                                                                |       | 11,240    |           | 12,081    |           |
| <b>Creditors: amounts falling due within one year</b>          | 10    | (621,785) |           | (159,937) |           |
| <b>Net current liabilities</b>                                 |       |           | (610,545) |           | (147,856) |
| <b>Total assets less current liabilities</b>                   |       |           | 187,683   |           | 205,740   |
| <b>Creditors: amounts falling due after more than one year</b> | 11    |           | -         |           | -         |
| <b>Provisions for liabilities and charges</b>                  | 12    |           | -         |           | -         |
| <b>Net assets</b>                                              |       |           | £187,683  |           | £205,740  |
| <b>Capital and reserves</b>                                    |       |           |           |           |           |
| Called up share capital                                        | 13    |           | 99        |           | 99        |
| Profit and loss account                                        |       |           | 187,584   |           | 205,641   |
| <b>Equity Shareholders' funds</b>                              | 14    |           | £187,683  |           | £205,740  |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A (1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for 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 for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

By order of the board on 12 February 2001.



Director

**CHURCH HOUSE PROPERTIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000****1. Accounting policies**

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

**Accounting convention**

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets.

**Basis of preparation of financial statements**

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

**Turnover**

Turnover represents sales at invoice value, excluding value added tax.

**Tangible fixed assets**

Tangible fixed assets are depreciated over their estimated useful lives as follows:-

|                  |                      |
|------------------|----------------------|
| Motor vehicles   | 25% reducing balance |
| Office equipment | 20% straight line    |

Freehold land and buildings are not depreciated in accordance with industry practice. Properties are maintained to a high standard of repair.

**Deferred taxation**

Provision is made for deferred taxation, using the liability method to the extent that it is probable that a liability will crystallise in the foreseeable future.

**Pension contributions**

The company contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £15,126 (1999 - £7,660).

**Hire purchase agreements and operating leases**

Assets acquired under hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the agreement in proportion to the capital balance outstanding.

Leasing charges in respect of operating leases are recognised in the profit and loss account over the lives of the lease agreement as incurred.

**2. Turnover**

The turnover and profit before taxation is entirely attributable to the company's principal activity and arose in the United Kingdom.

## CHURCH HOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000 CONTINUED

|                                                                             |                       |                       |
|-----------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>3 Staff costs</b>                                                        | <b>2000</b>           | <b>1999</b>           |
|                                                                             | <b>£</b>              | <b>£</b>              |
| Wages and salaries                                                          | 9,500                 | 12,260                |
| Social security costs                                                       | 631                   | 1,071                 |
| Other pension costs                                                         | 15,126                | 7,660                 |
|                                                                             | <u>£25,257</u>        | <u>£20,991</u>        |
|                                                                             | <u><u>£25,257</u></u> | <u><u>£20,991</u></u> |
| <br>Average number employed in the year                                     | <br><b>No.</b>        | <br><b>No.</b>        |
| Management                                                                  | 2                     | 2                     |
| Administration                                                              | 2                     | 2                     |
|                                                                             | <u>4</u>              | <u>4</u>              |
|                                                                             | <u><u>4</u></u>       | <u><u>4</u></u>       |
| <br><b>4 Interest receivable and similar income</b>                         | <br><b>2000</b>       | <br><b>1999</b>       |
|                                                                             | <b>£</b>              | <b>£</b>              |
| Bank interest                                                               | £ -                   | £ -                   |
|                                                                             | <u>£ -</u>            | <u>£ -</u>            |
| <br><b>5 Interest payable and similar charges</b>                           | <br><b>2000</b>       | <br><b>1999</b>       |
|                                                                             | <b>£</b>              | <b>£</b>              |
| On bank loans, overdraft and other loans repayable within 5 years:          |                       |                       |
| Bank overdraft                                                              | -                     | 376                   |
| Bank loan                                                                   | -                     | 3,014                 |
| Hire purchase interest                                                      | -                     | 266                   |
|                                                                             | <u>£ -</u>            | <u>£3,656</u>         |
|                                                                             | <u><u>£ -</u></u>     | <u><u>£3,656</u></u>  |
| <br><b>6 Profit on ordinary activities before taxation</b>                  |                       |                       |
| The profit on ordinary activities before taxation is stated after charging: | <b>2000</b>           | <b>1999</b>           |
|                                                                             | <b>£</b>              | <b>£</b>              |
| Directors emoluments:                                                       |                       |                       |
| Salaries                                                                    | 9,500                 | 11,170                |
| Pension                                                                     | 15,126                | 7,660                 |
| Depreciation on owned tangible fixed assets                                 | 3,503                 | 1,630                 |
|                                                                             | <u>3,503</u>          | <u>1,630</u>          |
|                                                                             | <u><u>3,503</u></u>   | <u><u>1,630</u></u>   |

## CHURCH HOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000 CONTINUED

## 7 Tax on profit on ordinary activities

|                                                                       | 2000<br>£     | 1999<br>£     |
|-----------------------------------------------------------------------|---------------|---------------|
| Corporation tax on the profit for the year<br>at 20 % (1999 : 20.83%) | (515)         | 1,279         |
| Deferred tax (Note 12)                                                | -             | -             |
|                                                                       | <u>£(515)</u> | <u>£1,279</u> |

## 8 Fixed assets - tangible

|                         | Freehold<br>Property<br>£ | Office<br>Equipment<br>£ | Motor<br>Vehicle<br>£ | Total<br>£      |
|-------------------------|---------------------------|--------------------------|-----------------------|-----------------|
| <b>Cost</b>             |                           |                          |                       |                 |
| At 1 June 1999          | 348,708                   | 2,201                    | 21,891                | 372,800         |
| Additions               | 438,536                   | 1,177                    | 13,310                | 453,023         |
| Disposals               | -                         | -                        | (21,891)              | (21,891)        |
|                         | <u>787,244</u>            | <u>3,378</u>             | <u>13,310</u>         | <u>803,932</u>  |
| At 31 May 2000          | 787,244                   | 3,378                    | 13,310                | 803,932         |
| <b>Depreciation</b>     |                           |                          |                       |                 |
| At 1 June 1999          | -                         | 2,201                    | 17,003                | 19,204          |
| Charge for the year     | -                         | 177                      | 3,326                 | 3,503           |
| Eliminated on disposals | -                         | -                        | (17,003)              | (17,003)        |
|                         | <u>-</u>                  | <u>2,378</u>             | <u>3,326</u>          | <u>5,704</u>    |
| At 31 May 2000          | -                         | 2,378                    | 3,326                 | 5,704           |
| <b>Net book value</b>   |                           |                          |                       |                 |
| At 31 May 2000          | <u>£787,244</u>           | <u>£1,000</u>            | <u>£9,984</u>         | <u>£798,228</u> |
| At 31 May 1999          | <u>£348,708</u>           | <u>£ -</u>               | <u>£4,888</u>         | <u>£353,596</u> |

## CHURCH HOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000 CONTINUED

## 9 Debtors

|                                       | 2000<br>£ | 1999<br>£ |
|---------------------------------------|-----------|-----------|
| Trade debtors                         | -         | -         |
| Prepayments                           | 1,191     | 604       |
| Amounts due from related undertakings | 9,534     | 9,534     |
| Corporation tax repayable             | 515       | -         |
|                                       | <hr/>     | <hr/>     |
|                                       | £11,240   | £10,138   |
|                                       | <hr/>     | <hr/>     |

10 Creditors: amounts falling due  
within one year

|                                   | 2000<br>£ | 1999<br>£ |
|-----------------------------------|-----------|-----------|
| Bank overdraft                    | 5,889     | -         |
| Taxation and social security      | 3,869     | 5,300     |
| Accruals                          | 8,552     | 4,306     |
| Directors loan account            | 22,723    | 24,160    |
| Amounts due to group undertakings | 580,752   | 124,892   |
| Corporation tax                   | -         | 1,279     |
|                                   | <hr/>     | <hr/>     |
|                                   | £621,785  | £159,937  |
|                                   | <hr/>     | <hr/>     |

The bank loan and overdraft are secured by a Legal Mortgage over the Freehold Property.

11 Creditors: amounts falling due  
after more than one year

| 2000<br>£ | 1999<br>£ |
|-----------|-----------|
| £ -       | £ -       |
| <hr/>     | <hr/>     |

## CHURCH HOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000 CONTINUED

## 12 Provisions for liabilities and charges - deferred taxation

|                                                                  | 2000<br>£  | 1999<br>£  |
|------------------------------------------------------------------|------------|------------|
| Balance at 1 June 1999                                           | -          | -          |
| Movement in the year                                             | -          | -          |
|                                                                  | <u>-</u>   | <u>-</u>   |
| <b>Balance at 31 May 2000</b>                                    | <b>£ -</b> | <b>£ -</b> |
|                                                                  | <u>-</u>   | <u>-</u>   |
| <b>Deferred taxation has been fully provided in respect of:-</b> |            |            |
|                                                                  | 2000<br>£  | 1999<br>£  |
| Accelerated capital allowances                                   | -          | -          |
| Capital gains                                                    | -          | -          |
|                                                                  | <u>-</u>   | <u>-</u>   |

## 13 Share capital

|                              | 2000<br>£ | 1999<br>£ |
|------------------------------|-----------|-----------|
| <b>Authorised</b>            |           |           |
| Ordinary shares of £1 each   | £100      | £100      |
|                              | <u>-</u>  | <u>-</u>  |
| <b>Issued and fully paid</b> |           |           |
| Ordinary shares of £1 each   | £ 99      | £ 99      |
|                              | <u>-</u>  | <u>-</u>  |

## 14 Reconciliation of movements in shareholders' funds

|                             | 2000<br>£ | 1999<br>£ |
|-----------------------------|-----------|-----------|
| (Loss)/Profit for the year  | (2,057)   | 4,982     |
| Dividend                    | 16,000    | -         |
| Opening shareholders' funds | 205,740   | 200,758   |
|                             | <u>-</u>  | <u>-</u>  |
| Closing shareholders' funds | £187,683  | £205,740  |
|                             | <u>-</u>  | <u>-</u>  |

## 15 Contingent liabilities and capital commitments

The company had no contingent liabilities or capital commitments at the balance sheet date.