

Company Number: 2776216

COTTESLOE PROPERTIES LIMITED

FINANCIAL STATEMENTS

30 September 1996



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COTTESLOE PROPERTIES LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 30 September 1996.

1 PRINCIPAL ACTIVITY

The principal activity of the company is property dealing and developing.

2 DIRECTORS AND INTERESTS IN SHARES

The directors at 30 September 1996, together with their interests, as defined by the Companies Act 1985, in shares of the company at that date and at the beginning of the year, were as follows:

	1996	1995
A K Bullingham	-	-
W V P Bullingham	-	-

The directors have no interests in the shares of the company.

Mr W V P Bullingham's interest in the share capital of the parent undertaking are disclosed in the financial statements of that company.

3 AUDITORS

Hazlewoods have expressed their willingness to continue in office.

In preparing this report advantage has been taken of the exemptions provided by Part II of Schedule 8 to the Companies Act 1985.

By order of the Board



W V P BULLINGHAM

Director

27 June 1997

COTTESLOE PROPERTIES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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.

AUDITORS' REPORT

To the shareholders of

COTTESLOE PROPERTIES LIMITED

We have audited the financial statements on pages 4 to 11.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

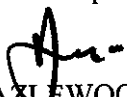
Basis of opinion

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 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 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 company's affairs as at 30 September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


HAZLEWOODS

Gloucester

Registered Auditors

27 June 1997

COTTESLOE PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT**
for the year ended 30 September 1996

	Note	1996	1995*
TURNOVER		3,228,339	681,573
Cost of sales		<u>2,413,797</u>	<u>320,610</u>
GROSS PROFIT		796,542	360,963
Administrative expenses		<u>(455,836)</u>	<u>(254,638)</u>
OPERATING PROFIT	2	340,706	106,325
Interest	3	<u>(24,243)</u>	<u>(34,746)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		316,463	71,579
Tax on profit on ordinary activities	4	<u>(108,770)</u>	<u>(20,015)</u>
PROFIT FOR THE FINANCIAL YEAR		207,693	51,564
Retained profit at beginning of year		<u>80,978</u>	<u>29,414</u>
RETAINED PROFIT AT END OF YEAR		<u><u>£ 288,671</u></u>	<u><u>£ 80,978</u></u>

All activities of the company are continuing activities, there were no acquisitions in the year.

There were no recognised gains or losses other than the profit for the year as shown above.

The only movement in Shareholders Funds was in respect of the retained profit shown above.

* Eighteen months ended 30 September 1995.

COTTESLOE PROPERTIES LIMITED

BALANCE SHEET

30 September 1996

	Note	1996	1995
FIXED ASSETS			
Tangible assets	5	73,103	88,669
CURRENT ASSETS			
Stocks		183,180	708,194
Debtors	6	735,752	15,740
Cash at bank and in hand		2,803	60,005
		921,735	783,939
CREDITORS			
due within one year	7	(657,603)	(591,910)
NET CURRENT ASSETS		264,132	192,029
TOTAL ASSETS LESS			
CURRENT LIABILITIES		337,235	280,698
CREDITORS			
due after more than one year	8	(48,464)	(199,620)
		£ 288,771	£ 81,078
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account		288,671	80,978
SHAREHOLDERS' FUNDS		£ 288,771	£ 81,078

In preparing these financial statements advantage has been taken of the exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company is entitled to those exemptions as a small company as defined by Section 247 of the Companies Act 1985.

Approved by the Board on 27 June 1997.

W V P BULLINGHAM - Director

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1996

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, adopting the following principal accounting policies.

Turnover

Turnover represents the amounts, excluding value added tax, receivable during the year for goods and services supplied.

Depreciation

Depreciation is calculated to write off the cost of tangible assets over their estimated useful lives at the following rates:

Fixtures and fittings	15% of cost per annum
Motor vehicles	25% of cost per annum

Stocks

Stock is valued at the lower of cost and net realisable value. Cost is represented by direct materials and labour together with attributable amounts of fixed and variable overheads incurred in bringing each product to its present location and condition. Net realisable value is estimated selling price less further costs expected to be incurred to completion and disposal.

Operating Leases

The cost of and income from operating leases is charged and credited to profit and loss account on a straight line basis over the lease term.

Hire Purchase and Finance Leases

Assets acquired under hire purchase and finance leases are recorded in the balance sheet as tangible fixed assets at their equivalent capital value. The corresponding liability is included under creditors due within or after one year. The interest element is charged to profit and loss account and represents a constant proportion of the balance of capital repayments outstanding.

Pension Costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 1996

1 ACCOUNTING POLICIES (Continued)

Cash Flow Statement

The company has not presented a cash flow statement on the grounds that the company qualifies as a small company within the meaning of Financial Reporting Standard Number 1 and hence is exempt from the requirements thereof. The directors are of the opinion that the costs of preparing such a statement would outweigh the benefits to the company.

2 OPERATING PROFIT

Operating profit is stated after charging (crediting):

	1996 £	1995* £
Depreciation of fixed assets	22,321	36,052
Directors' emoluments	245,565	29,922
Auditors' remuneration	2,000	2,000
	<u> </u>	<u> </u>

Depreciation includes £20,074 (1995: £21,431) in respect of assets subject to hire purchase and finance lease agreements.

3 INTEREST	1996	1995*
Interest payable	(26,257)	(37,878)
Interest receivable	2,014	3,132
	<u> </u>	<u> </u>
	£ (24,243)	£ (34,746)
	<u> </u>	<u> </u>

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The charge for taxation comprises:

Corporation tax at 25% (1995: 27%)	108,770	17,408
Under provided in previous years	-	2,607
	<u> </u>	<u> </u>
	£ 108,770	£ 20,015
	<u> </u>	<u> </u>

* Eighteen months ended 30 September 1995.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 1996

5 TANGIBLE FIXED ASSETS

	Fixtures and fittings	Motor vehicles	Total
Cost			
At 1 October 1995	9,701	95,949	105,650
Additions	2,760	116,999	119,759
Disposals	-	(121,730)	(121,730)
At 30 September 1996	12,461	91,218	103,679
Depreciation			
At 1 October 1995	2,130	14,851	16,981
Charge for year	1,869	20,452	22,321
Disposals	-	(8,726)	(8,726)
At 30 September 1996	3,999	26,577	30,576
Net book value			
At 30 September 1996	£ 8,642	£ 64,641	£ 73,103
At 30 September 1995	£ 7,571	£ 81,098	£ 88,669

Net book values include £64,641 (1995: £78,300) in respect of assets held under finance lease and hire purchase contracts.

6 DEBTORS

	1996	1995
Trade debtors	573,025	-
Group undertakings	8,203	1,086
Other debtors	91,435	12,423
Prepayments	2,099	2,231
Directors loan accounts	60,990	-
	£ 735,752	£ 15,740

The directors loans are to W V P Bullingham and A K Bullingham. They are interest free and have no fixed repayment terms. The maximum amount outstanding during the year for each director was: W V P Bullingham £41,397 Mrs A K Bullingham £27,276.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1996

7	CREDITORS - due within one year	1996	1995
	Borrowings:		
	Current instalments on bank loans	269,468	19,080
	Hire purchase and finance lease obligations	15,242	38,084
	Other creditors:		
	Trade creditors	58,653	19,261
	Group undertakings	38,076	452,882
	Accruals	16,438	8,950
	Taxation and social security	71,548	19,437
	Corporation tax	126,178	34,216
	Other creditors	62,000	-
	Total creditors due within one year	£ 657,603	£ 591,910

Details of borrowings including security are given in note 9.

8 CREDITORS - due after more than one year

	Borrowings:		
	Bank loans	-	92,937
	Hire purchase and finance lease obligations	48,464	106,683
	Total creditors due after more than one year	£ 48,464	£ 199,620

Details of borrowings including security are given in note 9.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1996

9 DETAILS OF BORROWINGS

Amounts borrowed fall due for repayment as follows:

	1996	1995
Due within five years		
Within one year or on demand		
- bank loans	269,468	19,080
- hire purchase and finance lease obligations	15,242	38,084
	284,710	57,164
Between one and two years		
- bank loans	-	19,080
- hire purchase and finance lease obligations	15,242	49,909
	15,242	68,989
From two to five years		
- bank loans	-	57,240
- hire purchase and finance lease obligations	33,222	56,774
	33,222	114,014
	£ 333,174	£ 240,167
Due after five years by instalments		
- bank loans	£ -	£ 16,617

Security given in respect of borrowings is as follows:

- i) The bank loans are secured by fixed charges over various development properties.
- ii) Assets subject to hire purchase do not legally pass into ownership of the company until all instalments have been paid.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 1996

10	SHARE CAPITAL	1996	1995
	Authorised, allotted and fully paid:		
	100 ordinary shares of £1 each	£ 100	£ 100
		<u> </u>	<u> </u>

11 PARENT COMPANY

The ultimate parent company of the only group of which the company is a member is Advancedplan Limited which is registered in Great Britain.