

Company Number: 2776216

COTTESLOE PROPERTIES LIMITED

FINANCIAL STATEMENTS

30 September 1997



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COTTESLOE PROPERTIES LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 30 September 1997.

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 1997, 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:

	1997	1996
A K Bullingham	-	-
W V P Bullingham	-	-

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

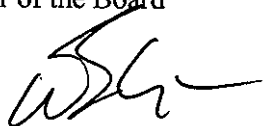
Mr W V P Bullingham's interest in the share capital of the parent undertaking are disclosed in the financial statements of that company.

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

12 February 1998

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 1997 and of its loss 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

12 February 1998

COTTESLOE PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT**

for the year ended 30 September 1997

	Note	1997	1996
TURNOVER		134,727	3,228,339
Cost of sales		105,851	2,413,797
GROSS PROFIT		28,876	796,542
Administrative expenses		194,339	(455,836)
OPERATING (LOSS) PROFIT	2	(165,463)	340,706
Interest	3	37,751	(24,243)
(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(203,214)	316,463
Tax on (loss) profit on ordinary activities	4	(266)	(108,770)
(LOSS) PROFIT FOR THE FINANCIAL YEAR		(203,480)	207,693
Retained profit at beginning of year		288,671	80,978
RETAINED PROFIT AT END OF YEAR		£ 85,191	£ 288,671

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 loss for the year as shown above.

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

COTTESLOE PROPERTIES LIMITED

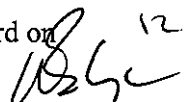
BALANCE SHEET

30 September 1997

	Note	1997	1996
FIXED ASSETS			
Tangible assets	5	207,270	73,103
CURRENT ASSETS			
Stocks		451,633	183,180
Debtors	6	150,000	735,752
Cash at bank and in hand		119	2,803
		601,752	921,735
CREDITORS			
due within one year	7	(696,492)	(657,603)
NET CURRENT ASSETS		(94,740)	264,132
TOTAL ASSETS LESS			
CURRENT LIABILITIES		112,530	337,235
CREDITORS			
due after more than one year	8	(27,239)	(48,464)
		£ 85,291	£ 288,771
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account		85,191	288,671
SHAREHOLDERS' FUNDS		£ 85,291	£ 288,771

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 12 February 1998



W V P BULLINGHAM - Director

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1997

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 1997

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 (LOSS) PROFIT

Operating (loss) profit is stated after charging (crediting):

	1997 £	1996* £
Depreciation of fixed assets	24,246	22,321
Directors' emoluments	31,759	245,565
Auditors' remuneration	2,000	2,000
	<u> </u>	<u> </u>

Depreciation includes £14,133 (1996: £20,074) in respect of assets subject to hire purchase and finance lease agreements.

3 INTEREST

	1997	1996
Interest payable	(37,763)	(26,257)
Interest receivable	12	2,014
	<u> </u>	<u> </u>
	£ (37,751)	£ (24,243)
	<u> </u>	<u> </u>

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The charge for taxation comprises:

Corporation tax at 25% (1996: 25%)	-	108,770
Under provided in previous years	266	-
	<u> </u>	<u> </u>
	£ 266	£ 108,770
	<u> </u>	<u> </u>

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1997

5 TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Motor vehicles	Investment property	Total
Cost					
At 1 October 1996	-	12,461	91,218	-	103,679
Additions	50,438	320	-	109,472	160,230
Disposals	-	(2,959)	-	-	(2,959)
At 30 September 1997	50,438	9,822	91,218	109,472	260,950
Depreciation					
At 1 October 1996	-	3,999	26,577	-	30,576
Charge for year	-	1,441	22,804	-	24,245
Disposals	-	(1,141)	-	-	(1,141)
At 30 September 1997	-	4,299	49,381	-	53,680
Net book value					
At 30 September 1997	£ 50,438	£ 5,523	£ 41,837	£ 109,472	£ 207,270
At 30 September 1996	£ -	£ 8,642	£ 64,641	£ -	£ 73,103

Net book values include £35,332 (1996: £64,641) in respect of assets held under finance lease and hire purchase contracts.

6 DEBTORS

	1997	1996
Trade debtors	-	573,025
Group undertakings	102,146	8,203
Other debtors	20,474	91,435
Prepayments	2,099	2,099
Directors loan accounts	25,281	60,990
	£ 150,000	£ 735,752

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 £33,715 Mrs A K Bullingham £27,276.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 1997

7 CREDITORS - due within one year	1997	1996
Borrowings:		
Current instalments on bank loans	447,702	269,468
Hire purchase and finance lease obligations	9,131	15,242
Other creditors:		
Trade creditors	42,675	58,653
Group undertakings	-	38,076
Accruals	3,500	16,438
Taxation and social security	59,658	71,548
Corporation tax	108,770	126,178
Other creditors	25,056	62,000
Total creditors due within one year	£ 696,492	£ 657,603

Details of borrowings including security are given in note 9.

8 CREDITORS - due after more than one year		
Borrowings:		
Bank loans	-	-
Hire purchase and finance lease obligations	27,239	48,464
Total creditors due after more than one year	£ 27,239	£ 48,464

Details of borrowings including security are given in note 9.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1997

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Taxation and social security	59,658	71,548
Corporation tax	108,770	126,178
Other creditors	25,056	62,000
Total creditors due within one year	£ 696,492	£ 657,603

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Total creditors due after more than one year	£ 27,239	£ 48,464

Details of borrowings including security are given in note 9.

COTTESLOE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 1997

9 DETAILS OF BORROWINGS

Amounts borrowed fall due for repayment as follows:

	1997	1996
Due within five years		
Within one year or on demand		
- bank loans	447,702	269,468
- hire purchase and finance lease obligations	9,131	15,242
	456,833	284,710
Between one and two years		
- bank loans	-	-
- hire purchase and finance lease obligations	9,131	15,242
	9,131	15,242
From two to five years		
- bank loans	-	-
- hire purchase and finance lease obligations	18,108	33,222
	18,108	33,222
	£ 484,072	£ 333,174
Due after five years by instalments		
- bank loans	£ -	£ -

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 1997

10	SHARE CAPITAL	1997	1996
	Authorised, allotted and fully paid:		
	100 ordinary shares of £1 each	£ 100	£ 100
		==	==

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.