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**ICA Estates Limited**

Report and Financial Statements

Year Ended

31 March 2000



**IBDO**

**BDO Stoy Hayward**  
Chartered Accountants

# **ICA ESTATES LIMITED**

## **Annual report and financial statements for the year ended 31 March 2000**

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Director

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### **Director**

H Rosenblatt  
L Rosenblatt

### **Secretary and registered office**

L Rosenblatt, 56 Palmerston Place, Edinburgh, EH12 5AY.

### **Company number**

SC51321

### **Auditors**

BDO Stoy Hayward, Prospect Place, 85 Great North Road, Hatfield, Herts AL9 5BS

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## **ICA ESTATES LIMITED**

### **Report of the directors for the year ended 31 March 2000**

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The directors present their report together with the audited financial statements for the year ended 31 March 2000.

#### **Principal activities, training review and future developments**

The principal activity of the company is property dealing. The directors anticipate improving the company's financial position in the forthcoming year.

The profit and loss account is set out on page 4 and shows the profit for the year.

There have been no events since the balance sheet date which materially affect the position of the company.

#### **Year 2000**

The directors recognised the Year 2000 problem as a potentially serious business issue. They considered the risks and implications not just across the company but also as a result of the systems of major customers and suppliers not being Y2K compliant. At the beginning of the year, the majority of the company's computer systems and associated software were already Y2K compliant. Where problems were identified, upgrading or replacement took place with a significant proportion of the costs being covered by existing maintenance contracts. Additional costs not covered by existing contracts did not exceed annual spending levels for ongoing renewal and maintenance expenditure.

Since the end of 1999 the company has experienced no problems. The board, however, is continuing to monitor the issue both internally and externally.

#### **Directors**

The directors of the company during the year were:

H Rosenblatt  
L Rosenblatt

No director had any interest in the ordinary or preference shares of the company.

Both H Rosenblatt and L Rosenblatt are also directors of the ultimate parent undertaking, ICA (Holdings) Limited, and their interests in the share capital of that company are shown in its financial statements.

#### **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 year. 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.

## ICA ESTATES LIMITED

### Report of the directors for the year ended 31 March 2000 (*Continued*)

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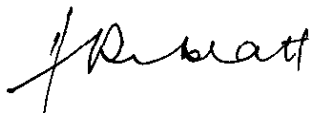
#### **Directors' responsibilities** (*Continued*)

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**

BDO Stoy Hayward have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

#### **On behalf of the Board**



Director

Date 27-9-2000

# ICA ESTATES LIMITED

## Report of the auditors

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### To the shareholders of ICA Estates Limited

We have audited the financial statements on pages 4 to 9, which have been prepared under the accounting policies, set out on page 7.

#### *Respective responsibilities of director and auditors*

As described on pages 1 and 2 the company's directors are responsible for the preparation of the 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.

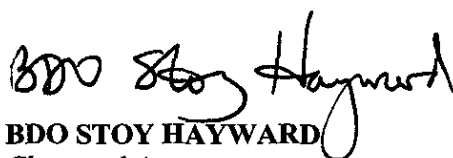
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### *Fundamental uncertainty*

In forming our opinion we have considered the adequacy of the disclosures made in Note 1 of the financial statements concerning the need for continued support of the parent company of the company. In view of the significance of this matter, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

#### *Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as 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.



**BDO STOY HAYWARD**  
Chartered Accountants  
and Registered Auditors  
Hatfield

Date 27 September 2000

**ICA ESTATES LIMITED****Profit and loss account for the year ended 31 March 2000**

|                                             | <b>Note</b> | <b>2000<br/>£</b>  | <b>1999<br/>£</b> |
|---------------------------------------------|-------------|--------------------|-------------------|
| <b>Turnover</b>                             |             | <b>1,100,000</b>   | -                 |
| Direct costs                                |             | <b>764,222</b>     | -                 |
|                                             |             | <hr/>              | <hr/>             |
| <b>Gross profit</b>                         |             | <b>335,778</b>     | -                 |
| Other operating income                      | 2           | <b>103,183</b>     | 88,341            |
| Administrative expenses                     |             | <b>(135,347)</b>   | (107,004)         |
|                                             |             | <hr/>              | <hr/>             |
| <b>Profit/(loss) on ordinary activities</b> | 3           | <b>303,614</b>     | (18,663)          |
| Retained losses brought forward             |             | <b>(1,376,227)</b> | (1,357,564)       |
|                                             |             | <hr/>              | <hr/>             |
| <b>Retained losses carried forward</b>      |             | <b>(1,072,613)</b> | (1,376,227)       |
|                                             |             | <hr/>              | <hr/>             |

All amounts relate to continuing activities.

The company has no recognised gains and losses other than the loss for the year.

The notes on pages 7 to 9 form part of these financial statements.

**ICA ESTATES LIMITED****Reconciliation of movements in shareholders' funds for the year ended 31 March 2000**

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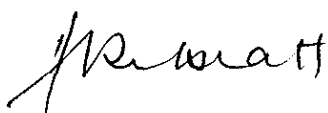
|                                                           | <b>2000</b>        | <b>1999</b>        |
|-----------------------------------------------------------|--------------------|--------------------|
|                                                           | <b>£</b>           | <b>£</b>           |
| <b>Reconciliation of movements in shareholders' funds</b> |                    |                    |
| Profit/(loss) for the year                                | <b>303,614</b>     | <b>(18,663)</b>    |
| Opening shareholders' funds                               | <b>(1,376,127)</b> | <b>(1,357,464)</b> |
|                                                           | <hr/>              | <hr/>              |
| Closing shareholders' funds                               | <b>(1,072,513)</b> | <b>(1,376,127)</b> |
|                                                           | <hr/>              | <hr/>              |

The notes on pages 7 to 9 form part of these financial statements.

**ICA ESTATES LIMITED****Balance sheet at 31 March 2000**

|                                                                | Note | £       | 2000        | £ | £         | 1999        | £ |
|----------------------------------------------------------------|------|---------|-------------|---|-----------|-------------|---|
| <b>Current assets</b>                                          |      |         |             |   |           |             |   |
| Stocks                                                         | 6    | 25,921  |             |   | 790,143   |             |   |
| Debtors - falling due after one year                           | 7    | 867,690 |             |   | 545,190   |             |   |
|                                                                |      |         |             |   |           |             |   |
|                                                                |      |         | 893,611     |   | 1,335,333 |             |   |
| <b>Creditors: amounts falling due within one year</b>          | 8    | -       |             |   | 18,478    |             |   |
|                                                                |      |         |             |   |           |             |   |
| <b>Net current assets</b>                                      |      |         | 893,611     |   |           | 1,316,855   |   |
| <b>Creditors: amounts falling due after more than one year</b> | 9    |         | 1,966,124   |   |           | 2,692,982   |   |
|                                                                |      |         |             |   |           |             |   |
| <b>Net liabilities</b>                                         |      |         | (1,072,513) |   |           | (1,376,127) |   |
| <b>Capital and reserves</b>                                    |      |         |             |   |           |             |   |
| Called up share capital                                        | 10   |         | 100         |   |           | 100         |   |
| Profit and loss account                                        |      |         | (1,072,613) |   |           | (1,376,227) |   |
|                                                                |      |         |             |   |           |             |   |
| <b>Shareholders' funds - equity</b>                            |      |         | (1,072,513) |   |           | (1,376,127) |   |

The financial statements were approved by the Board on 27-9-2000



Director

The notes on pages 7 to 9 form part of these financial statements.

# ICA ESTATES LIMITED

## Notes forming part of the financial statements for the year ended 31 March 2000

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

#### *Stocks*

Stocks, comprising properties for resale, are stated at the lower of cost and the directors' estimate of realisable value. Profits on sales of properties are taken only when legal title passes.

#### *Continuing Support*

The directors consider it appropriate to adopt the going concern basis because the parent company has agreed to ensure that sufficient funds are made available to enable the company to continue to trade and to meet its liabilities as they fall due.

### 2 Other operating income

|                                 | 2000<br>£ | 1999<br>£ |
|---------------------------------|-----------|-----------|
| Gross rents receivable          | 106,119   | 88,341    |
| Less: Direct property outgoings | (2,936)   | -         |
|                                 | <hr/>     | <hr/>     |
| Net rents                       | 103,183   | 88,341    |
|                                 | <hr/>     | <hr/>     |

### 3 Loss on ordinary activities

Auditors' remuneration is accounted for on a group basis.

### 4 Employees

|                         | 2000<br>£ | 1999<br>£ |
|-------------------------|-----------|-----------|
| Staff costs consist of: |           |           |
| Wages and salaries      | 845,333   | -         |
| Social security costs   | 102,741   | -         |
|                         | <hr/>     | <hr/>     |
|                         | 948,074   | -         |
|                         | <hr/>     | <hr/>     |

The average number of employees, including the directors during the year was 3 (1999 – 1).

# ICA ESTATES LIMITED

## Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)

### 5 Directors

| Directors' emoluments consist of:    | 2000<br>£ | 1999<br>£ |
|--------------------------------------|-----------|-----------|
| Remuneration for management services | 833,333   | -         |

### 6 Stocks

|                       | 2000<br>£ | 1999<br>£ |
|-----------------------|-----------|-----------|
| Goods held for resale | 25,921    | 790,143   |

### 7 Debtors

|                                                              | 2000<br>£ | 1999<br>£ |
|--------------------------------------------------------------|-----------|-----------|
| Due after one year:<br>Due by fellow subsidiary undertakings | 867,690   | 545,190   |

### 8 Creditors: amounts falling due within one year

|                              | 2000<br>£ | 1999<br>£ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | -         | 18,478    |

### 9 Creditors: amounts falling due after more than one year

|                                       | 2000<br>£ | 1999<br>£ |
|---------------------------------------|-----------|-----------|
| Due to parent undertaking             | 1,531,210 | 2,258,068 |
| Due to fellow subsidiary undertakings | 434,914   | 434,914   |
|                                       | 1,966,124 | 2,692,982 |

There are no specified terms under which amounts owed to group undertakings are advanced. The relevant companies have, however, confirmed that repayment of the amounts noted above will not be requested in the coming year.

## ICA ESTATES LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

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### 10 Share capital

|                            | Authorised |      | Allotted, called up<br>and fully paid |      |
|----------------------------|------------|------|---------------------------------------|------|
|                            | 2000       | 1999 | 2000                                  | 1999 |
|                            | £          | £    | £                                     | £    |
| Ordinary shares of £1 each | 100        | 100  | 100                                   | 100  |

### 11 Ultimate parent company and ultimate controlling party

At 31 March 2000 the company's ultimate controlling party was ICA (Holdings) Limited which is the parent of the largest group of which the company is a member. International Caledonian Assets Limited is the parent of the smallest group of which the company is a member.

Copies of the consolidated financial statement of ICA (Holdings) Limited and International Caledonian Assets Limited are available from Companies House.

At 31 March 2000 the company's ultimate controlling party was H Rosenblatt, a director of the company.

### 12 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is qualifies as a small company.