

Charles Burrows & Co

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

INDIA PROPERTIES LIMITED FINANCIAL STATEMENTS 30 NOVEMBER 1998

Company Registration Number sco80985



INDIA PROPERTIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 1998

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INDIA PROPERTIES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

G W Rule
A J Rule

Company Secretary

Angela J Rule

Business Address

7 Palmerston Place
Edinburgh
EH12 5AH

Registered Office

7 Palmerston Place
Edinburgh
EH12 5AH

Accountants

Charles Burrows & Co
Chartered Accountants
7 Palmerston Place
Edinburgh
EH12 5AH

INDIA PROPERTIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 1998

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 November 1998.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the furnished letting of tenement property.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 Nov 98	At 1 Dec 97
G W Rule	1	1
A J Rule	<u>1</u>	<u>1</u>

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
7 Palmerston Place
Edinburgh
EH12 5AH

Signed by order of the directors



ANGELA J RULE
Company Secretary

Approved by the directors on 2 July 1999

INDIA PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 NOVEMBER 1998

	Note	1998 £	1997 £
TURNOVER		11,200	9,167
Administrative expenses		(5,072)	(7,470)
OPERATING PROFIT	2	6,128	1,697
Interest payable		(1,909)	(1,730)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		4,219	(33)
Tax on profit/(loss) on ordinary activities	3	(780)	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		3,439	(33)
Balance brought forward		15,874	15,907
Balance carried forward		19,313	15,874

The notes on pages 6 to 8 form part of these financial statements.

INDIA PROPERTIES LIMITED

BALANCE SHEET

30 NOVEMBER 1998

	Note	1998	1997
		£	£
FIXED ASSETS			
Tangible assets	4	44,980	44,090
CREDITORS: Amounts falling due within one year	5	(14,040)	(13,345)
TOTAL ASSETS LESS CURRENT LIABILITIES		30,940	30,745
CREDITORS: Amounts falling due after more than one year	6	(11,625)	(14,869)
		<u>19,315</u>	<u>15,876</u>

The balance sheet continues on the following page.
The notes on pages 6 to 8 form part of these financial statements.

INDIA PROPERTIES LIMITED

BALANCE SHEET *(continued)*

30 NOVEMBER 1998

	Note	1998 £	1997 £
CAPITAL AND RESERVES			
Called-up equity share capital	8	2	2
Profit and loss account	9	19,313	15,874
SHAREHOLDERS' FUNDS		<u>19,315</u>	<u>15,876</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the directors on the 2 July 1999 and are signed on their behalf by:



G W RULE

The notes on pages 6 to 8 form part of these financial statements.

INDIA PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 1998

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings 15% straight line

Investment properties

The requirement of the Companies Act 1985 is to depreciate all properties but that requirement conflicts with the generally accepted accounting principle set out in SSAP19. The directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view.

2. OPERATING PROFIT

Operating profit is stated after charging:

	1998 £	1997 £
Directors' emoluments	-	-
Depreciation	159	-

3. TAX ON PROFIT/LOSS ON ORDINARY ACTIVITIES

	1998 £	1997 £
Corporation tax based on the results for the year at 21% (1997 - 24%)	780	-

INDIA PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 1998

4. TANGIBLE FIXED ASSETS

	Investment Properties £	Fixtures & Fittings £	Total £
COST			
At 1 December 1997	44,090	6,715	50,805
Additions	-	1,049	1,049
At 30 November 1998	44,090	7,764	51,854
DEPRECIATION			
At 1 December 1997	-	6,715	6,715
Charge for the year	-	159	159
At 30 November 1998	-	6,874	6,874
NET BOOK VALUE			
At 30 November 1998	44,090	890	44,980
At 30 November 1997	44,090	-	44,090

5. CREDITORS: Amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	5,707	4,270
Other creditors including:		
Corporation tax	799	19
HP and finance leases	741	-
Directors current accounts	5,912	6,677
	7,452	6,696
Accruals and deferred income	881	2,379
	14,040	13,345

6. CREDITORS: Amounts falling due after more than one year

	1998 £	1997 £
Bank loans and overdrafts	11,625	14,869

The Bank loans are secured by a Standard Security over one of the companies properties.

INDIA PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 1998

7. RELATED PARTY TRANSACTIONS

The company was under the control of Mr G W Rule throughout the current and previous year. Mr Rule is the managing director and majority shareholder with his wife.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

8. SHARE CAPITAL

Authorised share capital:

	1998 £	1997 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>2</u>	<u>2</u>

9. PROFIT AND LOSS ACCOUNT

	1998 £	1997 £
Balance brought forward	15,874	15,907
Retained profit/(loss) for the financial year	<u>3,439</u>	<u>(33)</u>
Balance carried forward	<u>19,313</u>	<u>15,874</u>