

Registered Number
340688
England & Wales

FRINCON (COLCHESTER) LIMITED

ANNUAL REPORT AND ACCOUNTS

30th September 1996



FRINCON (COLCHESTER) LIMITED
ANNUAL REPORT AND ACCOUNTS
Year ended 30th September 1996

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FRINCON (COLCHESTER) LIMITED

BOARD OF DIRECTORS

A. R. W. Tomkins

D. H. Abbott, F.C.A.

SECRETARY

J. A. Parry

REGISTERED OFFICE

143 Connaught Avenue,
Frinton-on-Sea, Essex.

REGISTERED NUMBER

340688 England & Wales

AUDITORS

Thornton & Co.,
Chartered Accountants,
Great Bentley,
Colchester, Essex.

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FRINCON (COLCHESTER) LIMITED

REPORT OF THE DIRECTORS

For the year 30th September 1996

The Directors submit their Report and Audited Accounts of the company for the year ended 30th September 1996.

Principal Activity and Results

The Company is a property investment company, and for the period under review reports a loss of £94,815.

Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial period 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 the period. In preparing the financial statements, the Directors have:-

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards;
- prepared the financial statements on the going concern basis.

The Directors acknowledge that they are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and 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.

Directors

Directors who have served during the year are:-

A. R. W. Tomkins
D. H. Abbott

Neither of the Directors had any beneficial interest in the shares of the Company at any time during the period. Directors' interests in the holding company are disclosed in the Accounts of that company.

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FRINCON (COLCHESTER) LIMITED

REPORT OF THE DIRECTORS

For the year to 30th September 1996

(Continued)

Holding Company

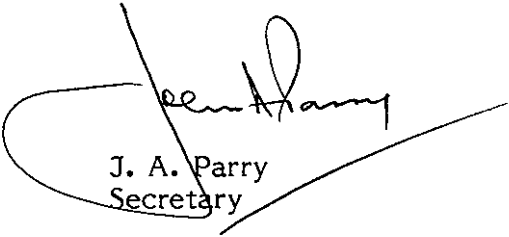
The company became a wholly-owned subsidiary of Frincon Securities Limited on the 14th September 1995, and both were incorporated in the United Kingdom, but was transferred out of the group on 27th September 1996.

Auditors

Thornton & Co. were appointed Auditors during the period, and have signified their willingness to continue in office.

In preparing the above report, the Directors have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of
the Board of Directors



J. A. Parry
Secretary

Approved by the Board: 9th December 1996

AUDITORS' REPORT TO THE SHAREHOLDERS OF

FRINCON (COLCHESTER) LIMITED

We have audited the financial statements on pages 5 to 11, which have been prepared under the accounting policies set out on page 9.

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 relative 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.

Opinion:

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 30th September 1996, 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.

Great Bentley,
Colchester, Essex.



Thornton & Co.
Chartered Accountants
Registered Auditors

9th December 1996

FRINCON (COLCHESTER) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30th September 1996

			Period to <u>30/09/95</u>
	£	£	£
Rent receivable		26,413	-
Interest payable	7,562		-
Head Rent payable	99,020		(149,862)
Property Outgoings	11,628		(6,163)
Miscellaneous Expenses	<u>3,018</u>		<u>-</u>
		(121,228)	(156,025)
<u>Loss for year</u>		(94,815)	(156,025)
Adverse balance brought forward		(189,696)	(33,671)
Adverse balance carried forward, per Balance Sheet		£(284,511)	£(189,696)
		=====	=====

The foregoing result relates to continuing activities.

The attached notes form an integral part of these Accounts.

FRINCON (COLCHESTER) LIMITED

BALANCE SHEET

30th September 1996

30th September 1995

	<u>Notes</u>	£	£	£	£
<u>Tangible Fixed Asset</u>					
Leasehold property, at cost	4		2,684,859		2,271,797
<u>Current Assets</u>					
Debtors	5	17,342		7,390	
Cash at Bank		<u>142,043</u>		<u>-</u>	
		159,385		7,390	
		=====		=====	
<u>Less: Creditors</u>					
Loan Midland Bank Plc		1,300,000		-	
Amounts falling due within one year -					
Amount due to Parent Company		-		2,430,459	
Trade Creditors		47,710		57,379	
Shareholders' loans		<u>1,800,000</u>		<u>-</u>	
		3,147,710		2,487,838	
		=====		=====	
Net Current Liabilities			(2,988,325)		(2,480,448)
<u>Net Liabilities</u>			<u>£(303,466)</u>		<u>£(208,651)</u>
			=====		=====

Continued

FRINCON (COLCHESTER) LIMITED

BALANCE SHEET (Continued)

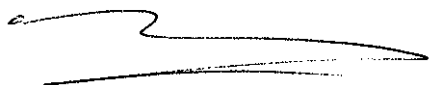
30th September 1996

30th September 1995

	<u>Notes</u>	£	£	£	£
<u>Capital and Reserves</u>	6				
Called-up Share Capital			5,050		5,050
Capital Reserve - Adverse Balance			(24,005)		(24,005)
Profit and Loss Account - Adverse Balance			(284,511)		(189,696)
<u>Shareholders' Funds</u> - adverse balance			£(303,466)		£(208,651)
			=====		=====

The Directors have taken advantage of special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Signed on behalf of
the Board of Directors



A. R. W. Tomkins
Director

Approved by the Board: 9th December 1996

The attached Notes form an integral part of these Accounts.

FRINCON (COLCHESTER) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 30th September 1996

	<u>Year to</u> <u>30/09/96</u>	<u>Period to</u> <u>30/09/95</u>
	£	£
Deficit for financial year, before tax	(94,815)	(156,025)
Deficit on realisation/revaluation of investments	<u>-</u>	<u>(22,403)</u>
Total recognised losses relating to the year	<u>£(94,815)</u> =====	<u>£(178,428)</u> =====

FRINCON (COLCHESTER) LIMITED

Notes to the Financial Statements for the year ended 30th September 1996

1. Accounting Policies and Definitions

(a) Presentation of Accounts

The accounts for the year under review, and the corresponding figures for the period ended 30th September 1995, are presented to comply with the format and disclosure requirements of the Companies Act 1985 for small companies.

(b) Basis of Accounts

The Accounts are prepared in accordance with applicable accounting standards under the historical cost convention. In accordance with Financial Reporting Standard No. 1, the company has taken advantage of the exemption available, by virtue of being a member of a group, from the requirement to present a Cash Flow Statement. Accordingly, no Cash Flow Statement is included in these financial statements.

(c) Fixed Assets

Statement of Standard of Accounting Practice No. 12 states that a provision for depreciation on building should be made. However, the Directors are of the opinion that it is neither appropriate nor necessary to provide depreciation on property. No such provision has therefore been made in these financial statements.

2. Directors' Remuneration

No remuneration has been paid to any Director during the accounting period under review.

3. Auditor's Remuneration

The Auditor's remuneration is borne by the Parent Company.

4. Tangible Fixed Asset

	<u>30/09/96</u>	<u>30/09/95</u>
	£	£
Leasehold property at cost 1st October 1995	2,271,797	1,969,424
Additions during year, at cost	<u>413,062</u>	<u>302,373</u>
Leasehold property at cost 30th September 1996	£2,684,859	£2,271,797
	=====	=====

5. Debtors

	£	£
Receivable within one year -		
Trade Debtors	9,650	136
Prepayments	<u>7,692</u>	<u>7,254</u>
	£17,342	£7,390
	=====	=====

FRINCON (COLCHESTER) LIMITED

Notes to the Financial Statements
for the year ended 30th September 1996

(Continued)

6. <u>Capital and Reserves</u>	<u>30/09/96</u> £	<u>30/09/95</u> £
<u>Called-up Share Capital</u>		
Authorised, allotted, called-up and fully paid -		
5,000 Ordinary Shares of 1p each	50	50
5,000 Deferred Shares of £1 each	<u>5,000</u>	<u>5,000</u>
	£5,050	£5,050
	=====	=====
<u>Capital Reserve</u>		
Adverse Balance at 1st October 1995	(24,005)	(1,602)
Deficit on realisation/revaluation of Investments	<u>-</u>	<u>(22,403)</u>
Adverse Balance at 30th September 1996	£(24,005)	£(24,005)
	=====	=====
<u>Reconciliation of Movements in</u> <u>Shareholders' Funds - Adverse Balance</u>		
Deficit for financial period after tax	(94,815)	£156,025)
Other recognised gains relating to the period - Deficit on realisation/revaluation of investments	<u>-</u>	<u>(22,403)</u>
	(94,815)	(178,428)
Opening shareholders' funds at 1st October 1995 - Adverse Balance	<u>(208,651)</u>	<u>(30,223)</u>
Closing shareholders' funds at 30th September 1996 - Adverse Balance	£(303,466)	£(208,651)
	=====	=====

FRINCON (COLCHESTER) LIMITED

Notes to the Financial Statements
for the year ended 30th September 1996

(Continued)

<u>7. Capital Commitments</u>	<u>30/09/96</u>	<u>30/09/95</u>
	£	£
At 30th September 1996, capital expenditure commitments were as follows:-		
Contracted, but not provided for in the accounts	£50,000 =====	- =====
Authorised by the Directors, but not contracted for, approximately	- =====	£200,000 =====