

Deritend Investments (Crumpsall) Limited

Directors' report and financial statements

31 December 1994

Registered number 604712



Deritend Investments (Crumpsall) Limited

Directors' report and financial statements

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Deritend Investments (Crumpsall) Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1994.

Principal activity

The principal activity of the company is property trading. There has been no significant change in the nature of the company's business activity during the year under review nor is any envisaged in the immediate future.

Financial statements and dividends

The result for the year ended 31 December 1994 is set out in the attached financial statements.

The directors do not recommend the payment of a dividend (1993:£Nil).

Property

A professional valuation of the property held for trading was carried out at 31 December 1991 and the surplus over book value of £135,410 at that time (all of which related to property still held at 31 December 1994) was not incorporated into the financial statements. The directors are satisfied that at 31 December 1994 property held for trading still had a value substantially in excess of its book value.

Directors and directors' interests

The directors who held office during the year, and who are still in office, are:

Mr BSE Freshwater
Mr D Davis

The Articles of Association of the company do not require the directors to retire by rotation.

The directors do not have service contracts nor do they receive any emoluments from the company.

Day-to-day management of the company's property is carried out by Highdorn Co. Limited. Mr BSE Freshwater is a director of Highdorn Co. Limited and is also interested in its share capital.

The whole of the issued capital of the company is owned by E. Alec Colman Investments Limited. At 31 December 1994 neither of the directors had any interest in the share and loan capital of the company, the company's parent undertaking or any subsidiary of the company's parent undertaking.

Deritend Investments (Crumpsall) Limited

Directors' report

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;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Income and Corporation Taxes Act, 1988

So far as the directors are aware, the company is a "close company" within the meaning of Section 414 of the above Act.

Auditors

On 6 February 1995 one of our joint auditors, KPMG Peat Marwick, changed the name under which they practise to KPMG and, accordingly, have signed the report in their new name. In accordance with section 385 of the Companies Act 1985, a resolution for the re-appointment of Cohen, Arnold & Co and KPMG as joint auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board



C C Morse
Secretary

Freshwater House
158/162 Shaftesbury Avenue
London WC2H 8HR

Report of the joint auditors, Cohen, Arnold & Co. and KPMG, to the members of Deritend Investments (Crumpsall) Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

As indicated in the Directors' Report 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 financial statements and to report our opinion to you.

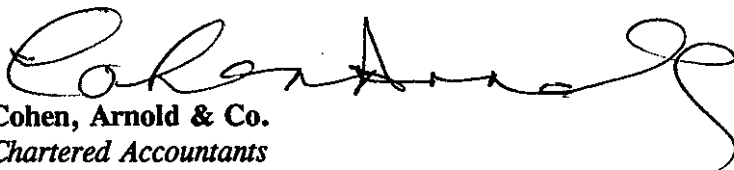
Basis of opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Cohen, Arnold & Co.
Chartered Accountants
Registered Auditors
London

16 JUN 1995

KPMG
KPMG
Chartered Accountants
Registered Auditors
London

Deritend Investments (Crumpsall) Limited

Profit and loss account

for the year ended 31 December 1994

	Note	1994	1993
		£	£
Rent and charges receivable		450	125
Property outgoings		(12,061)	(14,898)
		<hr/>	<hr/>
		(11,611)	(14,773)
Administrative expenses		(1,000)	(1,000)
		<hr/>	<hr/>
Operating loss		(12,611)	(15,773)
Interest payable	2	(33,000)	(30,000)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	3	(45,611)	(45,773)
Taxation	4	11,200	10,200
		<hr/>	<hr/>
Retained loss for the financial year	8	(34,411)	(35,573)
		<hr/>	<hr/>

There are no recognised gains or losses (1993:nil) other than the loss on ordinary activities after taxation.

None of the company's operations were discontinued during the year or during the previous year.

The movements on reserves are shown in note 8.

The notes on pages 6 to 9 form part of these financial statements.

Deritend Investments (Crumpsall) Limited

Balance sheet at 31 December 1994

	Note	1994 £	1993 £
Current assets			
Stocks - property held for trading	1	16,590	16,590
Debtors	5	23,300	24,885
		<u>39,890</u>	<u>41,475</u>
Creditors: amounts falling due within one year	6	(496,103)	(463,277)
Net liabilities		<u>(456,213)</u>	<u>(421,802)</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	(456,313)	(421,902)
		<u>(456,213)</u>	<u>(421,802)</u>

These financial statements were approved by the board of directors on signed on its behalf by:

16 JUN 1995

and were


BSE Freshwater
Director


D Davis
Director

The notes on pages 6 to 9 form part of these financial statements.

Deritend Investments (Crumpsall) Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

The directors have received an assurance that an intermediate parent undertaking, Metropolitan Properties Company Limited, will continue to provide such resources as are required by the company. On the basis of this assurance the financial statements have been prepared on a going concern basis.

Property held for trading

Property held for trading is stated at the lower of cost and estimated net realisable value.

Taxation

Provision is made for consideration payable to or receivable from other group undertakings for the surrender of losses under group relief provisions.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement (in accordance with Financial Reporting Standard No. 1) on the grounds that it is a wholly owned subsidiary undertaking of an intermediary company registered in England which prepares consolidated accounts that includes a consolidated cash flow.

2 Interest payable

	1994 £	1993 £
Group finance charges payable	<u>33,000</u>	<u>30,000</u>

Deritend Investments (Crumpsall) Limited

Notes (continued)

3 Loss on ordinary activities before taxation

	1994	1993
	£	£

Loss on ordinary activities before taxation is stated after charging

Auditors remuneration for audit services	<u>1,000</u>	<u>1,000</u>
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The directors of the company did not receive any emoluments from the company during the year or in the previous year.

Apart from the directors, there were no other employees of the company during the year or in the previous year.

4 Taxation

	1994	1993
	£	£
Consideration receivable for group relief	<u>11,200</u>	<u>10,200</u>

5 Debtors

	1994	1993
	£	£
Consideration receivable for group relief (note 4)	21,400	23,400
Other debtors and prepayments	<u>1,900</u>	<u>1,485</u>
	<u>23,300</u>	<u>24,885</u>

Deritend Investments (Crumpsall) Limited

Notes (continued)

6 Creditors: amounts falling due within one year

	1994 £	1993 £
Amount due to immediate parent undertaking	445,181	418,745
Amount due to fellow subsidiary undertaking	49,922	38,686
Other creditors and accruals	1,000	5,846
	<u>496,103</u>	<u>463,277</u>

7 Called up share capital

	1994 £	1993 £
<i>Authorised, allotted, called up and fully paid</i>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

8 Reserves

	Profit and loss account (deficit) £
At beginning of year	(421,902)
Loss for the financial year	<u>(34,411)</u>
At end of year	<u>(456,313)</u>

Deritend Investments (Crumpsall) Limited

Notes *(continued)*

9 Reconciliation of movements in shareholders' funds

	1994 £	1993 £
Retained loss for the financial year	(34,411)	(35,573)
Opening shareholders' funds	<u>(421,802)</u>	<u>(386,229)</u>
Closing shareholders' funds	<u>(456,213)</u>	<u>(421,802)</u>

10 Directors' interests in contracts

Day-to-day management of the company's property is carried out by Highdorn Co. Limited, one of the Freshwater Group of Companies, with which this company is closely associated. Mr BSE Freshwater is a director of Highdorn Co. Limited and is also interested in the share capital of that company.

11 Ultimate parent undertaking

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up is Centremanor Limited, a company registered in England.

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up is E. Alec Colman Investments Limited, a company registered in England.

Copies of these financial statements can be obtained from the following address: Freshwater House, 158/162 Shaftesbury Avenue, London WC2H 8HR.

The ultimate parent undertaking is Linnet Limited, a company incorporated in the Isle of Man and controlled by trusts.

Deritend Investments (Crumpsall) Limited

Property revenue account
for the year ended 31 December 1994

	1994		1993	
	£	£	£	£
Rents and charges receivable		450		125
Property outgoings				
Ground rent and service charges payable	7,395		8,196	
General and water rates	996		1,246	
Repairs and maintenance	3,588		5,416	
Light and heat	82		40	
		(12,061)		(14,898)
Net property deficit		(11,611)		(14,773)

This schedule is provided for information purposes only and does not form part of the audited financial statements.