

SUNLEY PROPERTIES LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 1994

Registered Number: 692859



SUNLEY PROPERTIES LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 1994

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SUNLEY PROPERTIES LIMITED

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 1994

The directors submit their annual report together with the audited financial statements for the year ended 31st December 1994.

REVIEW OF THE BUSINESS

The Company did not trade during the year.

RESULTS AND DIVIDENDS

The company made a profit for the year before taxation of £101 (1993: Profit £4). The profit for the year after taxation was £68 (1993: Profit £4).

A dividend of £7,290 on the 2% Preference shares and an interim dividend of £992,710 on the Ordinary shares were paid on 30th December 1994. The directors recommend that no final dividend be paid.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the company who served during the year are shown below:-

| | |
|-----------------|------------|
| John B. Sunley | (Chairman) |
| R.C.N Parr | |
| James B. Sunley | |
| G.W. Tucker | |

John B. Sunley and James B. Sunley are directors of the ultimate parent company, Sunley Family Limited. Their interests in the ultimate parent company and its subsidiaries are declared in that company's directors' report. None of the other directors had any interest in group companies.

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 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.

SUNLEY PROPERTIES LIMITED

DIRECTORS' REPORT (Continued)

YEAR ENDED 31ST DECEMBER 1994

AUDITORS

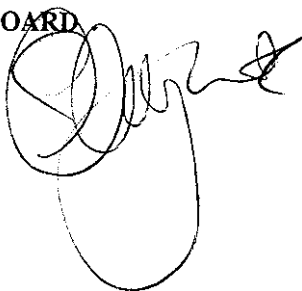
Hays Allan have indicated their willingness to continue in office as auditors and offer themselves for re-appointment.

BY ORDER OF THE BOARD

S. MILLGATE ACA
Secretary

Registered office:
105 Park Street
London, W1Y 3FB

20th January 1995

A handwritten signature in black ink, appearing to be 'S. Millgate', written over a large, faint circular stamp or watermark.

**AUDITORS' REPORT TO THE MEMBERS OF
SUNLEY PROPERTIES LIMITED**

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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 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 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hays Allan

HAYS ALLAN

Chartered Accountants
Registered Auditors

Southampton House
317 High Holborn
London WC1V 7NL

20th January 1995

SUNLEY PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 1994

| | Note | 1994 £ | 1993 £ |
|--|------|-------------------|-------------------|
| INTEREST RECEIVABLE | | 101 | 4 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 101 | 4 |
| TAXATION | 2 | 33 | - |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAX | | 68 | 4 |
| DIVIDENDS PAID | 3 | (1,000,000) | - |
| RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR | | (999,932) | 4 |
| TRANSFER FROM REVALUATION RESERVE | | - | 11,975 |
| RETAINED PROFITS BROUGHT FORWARD | | 3,278,263 | 3,266,284 |
| RETAINED PROFITS CARRIED FORWARD | | <u>£2,278,331</u> | <u>£3,278,263</u> |

All income during the year was derived from continuing activities.

All recognised gains and losses are included in the profit and loss account.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

| | | |
|--|-------------|----------------|
| Reported profit on ordinary activities before taxation | 101 | 4 |
| Realisation of property revaluation gains of previous years | - | 11,975 |
| Historical cost profit on ordinary activities before taxation | <u>£101</u> | <u>£11,979</u> |

SUNLEY PROPERTIES LIMITED

BALANCE SHEET

AT 31ST DECEMBER 1994

| | Note | 1994 £ | 1993 £ |
|---|------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Debtors | 4 | 3,157,239 | 4,007,259 |
| Cash at bank and in hand | | 100,205 | 104 |
| | | <u>3,257,444</u> | <u>4,007,363</u> |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | | |
| | 5 | 250,113 | 100 |
| NET CURRENT ASSETS | | <u>3,007,331</u> | <u>4,007,263</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>£3,007,331</u> | <u>£4,007,263</u> |
| CAPITAL AND RESERVES | | | |
| CALLED UP SHARE CAPITAL | 6 | 729,000 | 729,000 |
| PROFIT AND LOSS ACCOUNT | | 2,278,331 | 3,278,263 |
| | | <u>£3,007,331</u> | <u>£4,007,263</u> |
| Attributable to non-equity shareholders | | 364,500 | 364,500 |
| Attributable to equity shareholders | | <u>2,642,831</u> | <u>3,642,763</u> |

Approved by the board on 20th January 1995 and signed on its behalf by:-

James B. Sunley

J. B. Sunley

Director

SUNLEY PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 1994****1. ACCOUNTING POLICIES****a) BASIS OF PREPARATION**

The financial statements are prepared on the historical cost basis modified for the revaluation of occupied property and in accordance with applicable accounting standards.

| 2. TAXATION ON PROFIT ON ORDINARY ACTIVITIES | 1994 | 1993 |
|--|-------------------|-------------------|
| | £ | £ |
| The charge for taxation on ordinary activities represents: | | |
| Corporation tax at 33% based on the profit for the year | 33 | - |
| | <u> </u> | <u> </u> |
| 3. DIVIDENDS PAID | | |
| 2% Preference dividend | 7,290 | - |
| Interim Ordinary dividend | 992,710 | - |
| | <u>£1,000,000</u> | <u>£-</u> |
| | <u> </u> | <u> </u> |
| 4. DEBTORS: DUE WITHIN ONE YEAR | | |
| Amounts owed by group companies | 2,907,259 | 4,007,259 |
| Advance Corporation tax recoverable | 249,980 | - |
| | <u>£3,157,239</u> | <u>£4,007,259</u> |
| | <u> </u> | <u> </u> |
| 5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | |
| Corporation tax | 13 | - |
| Advance Corporation tax | 250,000 | - |
| Amounts owed to group companies | 100 | 100 |
| | <u>£250,113</u> | <u>£100</u> |
| | <u> </u> | <u> </u> |

SUNLEY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 1994

6. CALLED UP SHARE CAPITAL

| | Authorised | | Issued and fully paid | |
|---------------------------------|-----------------|-----------------|--------------------------|-----------------|
| | 1994 | 1993 | 1994 | 1993 |
| | £ | £ | £ | £ |
| Ordinary shares of £1 each | 385,500 | 385,500 | 364,500 | 364,500 |
| 2% Preference shares of £1 each | 364,500 | 364,500 | 364,500 | 364,500 |
| | <u>£750,000</u> | <u>£750,000</u> | <u>£729,000</u> | <u>£729,000</u> |

The 2% Preference shares of £1 each entitle the holder to a fixed non-cumulative dividend of 2% per annum in priority to any payment on the Ordinary shares but to no other rights to the profits or assets of the company. The shares carry voting rights only on a resolution directly affecting the rights of the shares.

| 7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS | 1994 | 1993 |
|---|-------------------|-------------------|
| | £ | £ |
| Profit for the financial year | 68 | 4 |
| Dividend paid | (1,000,000) | - |
| Opening shareholders funds | 4,007,263 | 4,007,259 |
| Closing shareholders funds | <u>£3,007,331</u> | <u>£4,007,263</u> |

8. ULTIMATE PARENT COMPANY

The ultimate parent company is Sunley Family Limited, which is registered in England and Wales. Sunley Family Limited is also the head of the largest group of companies, of which the company is a member, that prepares group accounts.

The smallest group of companies, of which the company is a member, that prepares group accounts is headed by Sunley Holdings PLC, which is registered in England and Wales.

Group accounts for both Sunley Family Limited and Sunley holdings PLC are available to the public, on payment of the appropriate fee, from Companies Registration Office, Companies House, Crown Way, Cardiff CF4 3UZ.