

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

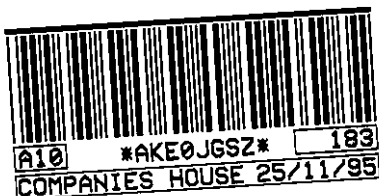
Company No: 876266

FINANCIAL STATEMENTS

for the year ended

31ST MARCH 1995

**COHEN, ARNOLD & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON W1X 2JP**



CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

DIRECTORS

B S E Freshwater
D Davis

SECRETARY

C C Morse F.C.I.S.

REGISTERED OFFICE

Freshwater House
158-162 Shaftesbury Avenue
LONDON WC2H 8HR

AUDITORS

Cohen, Arnold & Co
13-17 New Burlington Place
Regent Street
LONDON W1X 2JP

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

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FOR THE YEAR ENDED 31ST MARCH 1995

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CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Report, together with the Financial Statements of the Company for the year ended 31st March 1995.

BUSINESS REVIEW

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

RESULTS AND DIVIDEND

The results for the year are set out in the attached Financial Statements and Explanatory Notes. The Directors do not recommend the payment of a dividend for the year under review (1994 : £Nil).

PROPERTIES

A professional revaluation of the Company's property was carried out as at 31st March 1995 and the resultant figures have been incorporated into the Financial Statements.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors who served throughout the year and who are still in office are:

Mr B S E Freshwater
Mr D Davis

The Articles of Association of the Company do not require the Directors to retire by rotation.

Neither Director has a service contract, 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 and Freshwater Property Management Limited. Mr B S E Freshwater is a Director of both companies and is also interested in the share capital of Highdorn Co. Limited. Mr B S E Freshwater and Mr D Davis are also Governors of the Parent Undertaking of Freshwater Property Management Limited but have no beneficial interest in either company.

The whole of the issued share capital of the Company is owned by City and Country Properties Limited. At 31st March 1995 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.

The interests of the Directors, and those of their families and family trusts, in the share capital of Daejan Holdings PLC, the Ultimate Parent Undertaking, are set out in the Directors' Report of that Company.

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

REPORT OF THE DIRECTORS

(Continued)

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 its profit or loss for that period. In preparing the Financial Statements, the Directors are required to:

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) follow applicable Accounting Standards, subject to any material departures disclosed and explained in the Financial Statements
- iv) 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 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.

DONATIONS

During the year the Company made no charitable donation nor political contribution.

INCOME AND CORPORATION TAXES ACT 1988

The Directors are advised that the Company is a close company within the meaning of the Act.

AUDITORS

The auditors, Cohen, Arnold & Co, are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the Board to fix their remuneration will be proposed at the Annual General Meeting.

Head Office:
Freshwater House
158-162 Shaftesbury Avenue
London WC2H 8HR

Date: 14 July 1995

BY ORDER OF THE BOARD



C.C. MORSE
Secretary

REPORT OF THE AUDITORS, COHEN, ARNOLD & CO.

TO THE MEMBERS

-OF-

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

We have audited the Financial Statements set out on pages 4 to 11.

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 the Financial Statements and to report our opinion to you.

BASIS OF OPINION

We have 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 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.

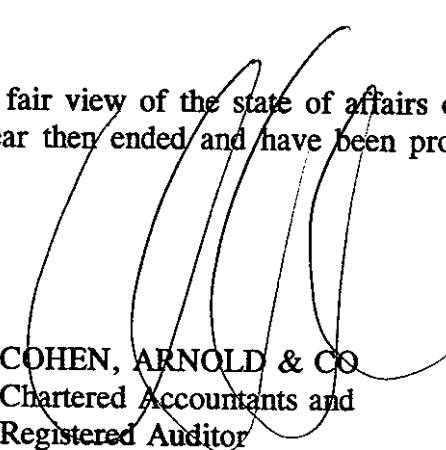
We have planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence and to give reasonable assurance that the Financial Statements are free from material mis-statement, whether caused by fraud or other 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 at 31st March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London

Date: 14 July 1995


COHEN, ARNOLD & CO
Chartered Accountants and
Registered Auditor

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1995

| | Note | <u>1995</u> £ | <u>1994</u> £ |
|--------------------------------------------------------|------|------------------|------------------|
| Rents and Charges Receivable | | 5,768 | 7,370 |
| Property Outgoings | | (14,187) | (15,787) |
| GROSS DEFICIT | | (8,419) | (8,417) |
| Administrative Expenses | 2 | (1,000) | (230) |
| OPERATING LOSS | | (9,419) | (8,647) |
| Interest Payable | 3 | (68,000) | (63,000) |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (77,419) | (71,647) |
| Taxation - credit | 4 | 22,770 | 20,866 |
| LOSS FOR THE FINANCIAL YEAR | 10 | £(54,649) | £(50,781) |

None of the Company's activities was acquired or discontinued during the financial year nor in the previous year.

The notes on pages 7 to 11 form part of these Financial Statements.

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31ST MARCH 1995

| | <u>1995</u> <u>£</u> | <u>1994</u> <u>£</u> |
|-------------------------------------------------------------|-------------------------|-------------------------|
| Loss for the Financial Year | (54,649) | (50,781) |
| Unrealised Deficit on Revaluation of Investment Property | (31,243) | (1,746) |
| | <hr/> | <hr/> |
| Total Recognised Losses for the Year | <u>£(85,892)</u> | <u>£(52,527)</u> |

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

BALANCE SHEET AS AT 31ST MARCH 1995

| | Note | <u>1995</u> | <u>1994</u> |
|------------------------------------------------|-------|-------------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible Assets | 1 & 5 | 600,000 | 600,000 |
| CURRENT ASSETS | | | |
| Debtors | 6 | 3,142 | 1,478 |
| CREDITORS: Amounts falling due within one year | 7 | (772,347) | (684,791) |
| NET CURRENT LIABILITIES | | <u>(769,205)</u> | <u>(683,313)</u> |
| NET LIABILITIES | | <u>£(169,205)</u> | <u>£(83,313)</u> |
| CAPITAL AND RESERVES | | | |
| Called up Share Capital | 8 | 100 | 100 |
| Revaluation Reserve | 9 | 29,529 | 60,772 |
| Profit and Loss Account | 10 | (198,834) | (144,185) |
| | | <u>£(169,205)</u> | <u>£(83,313)</u> |

These Financial Statements were approved by the Board of Directors on 14 July 1995 and signed on their behalf by:


B S E Freshwater

Directors


D Davis

The notes on pages 7 to 11 form part of these Financial Statements.

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

1. PRINCIPAL 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.

1.1 BASIS OF ACCOUNTING

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards as adjusted by the Policy of Accounting for Investment Properties referred to in Note 1.2 below.

The Directors have received an assurance that the Ultimate Parent Undertaking, Daejan Holdings PLC, will continue to provide such cash resources as are required by the Company to enable it to meet its obligations as they fall due. On the basis of this assurance, the Financial Statements have been prepared on a going concern basis.

Compliance with Statement of Standard Accounting Practice No. 19 "Accounting for Investment Properties" requires a departure from the requirements of the Companies Act 1985 relating to depreciation and amortisation and an explanation of this departure is given in Note 1.3 below.

1.2 INVESTMENT PROPERTIES

In accordance with Statement of Standard Accounting Practice No. 19, Investment Properties are included in the Balance Sheet either at professional valuation carried out at regular intervals, or at Director's valuation carried out in the intervening years. The aggregate surplus is transferred to a revaluation reserve and on realisation is transferred to cumulative Profit and Loss Account.

1.3 DEPRECIATION

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation or amortisation is provided in respect of Freehold Investment Property. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the Directors consider that this Accounting Policy results in the Financial Statements giving a true and fair view.

Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Leases having an unexpired term of less than twenty years are amortised evenly over the remaining period of the lease.

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

1.4 ACQUISITIONS AND DISPOSALS OF PROPERTIES

Acquisitions and disposals are considered to have taken place at the date of legal completion.

1.5 CASH FLOW STATEMENT

Under Financial Reporting Standard No. 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly - owned Subsidiary Undertaking of a Parent Undertaking registered in England and Wales which prepares Consolidated Financial Statements that include a consolidated cash flow statement.

2. ADMINISTRATIVE EXPENSES

| | <u>1995</u> | <u>1994</u> |
|------------|---------------|-------------|
| | <u>£</u> | <u>£</u> |
| Audit Fees | <u>£1,000</u> | <u>£230</u> |

The Directors of the Company received no remuneration during the year or in the preceding year.

Apart from the Directors, there were no other employees of the Company during the year or in the preceding year.

3. INTEREST PAYABLE

| | <u>1995</u> | <u>1994</u> |
|------------------------|----------------|---------------|
| | <u>£</u> | <u>£</u> |
| Group Interest Payable | <u>£68,000</u> | <u>63,000</u> |

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

4. TAXATION

Taxation based on results for the year:

| | <u>1995</u> £ | <u>1994</u> £ |
|-------------------------------------------|------------------|------------------|
| Consideration Receivable for Group Relief | <u>£22,770</u> | <u>£20,866</u> |

5. TANGIBLE ASSETS

| | £ |
|------------------------------------------|-----------------|
| Freehold Property held for Investment: | |
| At Professional Valuation 1st April 1994 | 600,000 |
| Additions at Cost | <u>31,243</u> |
| | 631,243 |
| Revaluation Deficit (Note 9) | <u>(31,243)</u> |
| | £600,000 |

The Company's Freehold Property was professionally valued at 31st March 1995 by Keith Cardale Groves, Chartered Surveyors. The valuation figures are based on open market value assessed in accordance with the R.I.C.S. Guidance Notes.

The historical cost of investment properties at 31st March 1995 was £570,471 (1994 : £539,228).

6. DEBTORS

| | <u>1995</u> £ | <u>1994</u> £ |
|-------------------------------|------------------|------------------|
| Rent Receivable | - | 467 |
| Other Debtors and Prepayments | <u>3,142</u> | <u>1,011</u> |
| | <u>£3,142</u> | <u>£1,478</u> |

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>1995</u> | <u>1994</u> |
|---------------------------------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Rents Charged in Advance | 1 | 1 |
| Other Creditors and Accruals | 2,438 | 366 |
| Amount due to Parent Undertaking | 701,908 | 621,424 |
| Amount due to Fellow Subsidiary Undertaking | 68,000 | 63,000 |
| | <hr/> | <hr/> |
| | £772,347 | £684,791 |
| | <hr/> | <hr/> |

8. CALLED UP SHARE CAPITAL

| | <u>1995</u> | <u>1994</u> |
|--------------------------------------------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| <u>Authorised, Allotted, Called up and Fully Paid:</u> | | |
| 100 Ordinary Shares of £1 each | £100 | £100 |
| | <hr/> | <hr/> |

9. REVALUATION RESERVE

| | <u>£</u> |
|--------------------------------------------------|----------|
| At 1st April 1994 | 60,772 |
| Revaluation Deficit arising in the Year (Note 5) | (31,243) |
| | <hr/> |
| At 31st March 1995 | £29,529 |
| | <hr/> |

10. PROFIT AND LOSS ACCOUNT

| | <u>£</u> |
|------------------------------------|----------|
| Adverse Balance at 1st April 1994 | 144,185 |
| Loss for the Financial Year | 54,649 |
| | <hr/> |
| Adverse Balance at 31st March 1995 | £198,834 |
| | <hr/> |

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

11. DIRECTORS' INTEREST IN CONTRACTS

Day to day management of the Company's property is carried out by Highdorn Co. Limited and Freshwater Property Management Limited, which are members of the Freshwater Group of Companies with which this Company is closely associated. Mr B.S.E. Freshwater is a Director of both Companies and is also interested in the share capital of Highdorn Co. Limited. During the year £484 (1994: £454) was paid to Highdorn Co. Limited and Freshwater Property Management Limited for the provision of a full range of management services, which were charged for at normal commercial rates.

12. CONTINGENT LIABILITY

The company has charged its investment property amounting to £600,000 (1994 : £600,000) as part security for bank overdraft facilities granted to its Parent Undertaking, which at 31st March 1995 amounted to £106,541 (1994 : £100,291).

13. ULTIMATE PARENT UNDERTAKING

The Company's Ultimate Parent Undertaking is Daejan Holdings PLC, a company incorporated in the United Kingdom and registered in England and Wales.

The Parent Undertaking of the largest group of undertakings for which group Financial Statements are drawn up is Daejan Holdings PLC and the Parent of the smallest group of undertakings for which group Financial Statements are drawn up is City and Country Properties Limited.

Copies of these Financial Statements can be obtained from Freshwater House, 158-162 Shaftesbury Avenue, London, WC2H 8HR.

CITY AND COUNTRY PROPERTIES (CAMBERLEY) LIMITED

PROPERTY REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1995

| | <u>£</u> | <u>1995</u> | <u>£</u> | <u>£</u> | <u>1994</u> | <u>£</u> |
|-----------------------------------|----------|-------------|-----------------|----------|-------------|-----------------|
| Rent Receivable | | | 5,768 | | | 7,370 |
| <u>Deduct: Property Outgoings</u> | | | | | | |
| General Rates | 1,821 | | | 9,377 | | |
| Insurance | 1,738 | | | 2,031 | | |
| Repairs | 3,082 | | | 145 | | |
| Legal and Professional Fees | 6,451 | | | 3,780 | | |
| Management Commission | 484 | | | 454 | | |
| Letting Commission | 611 | | | - | | |
| | | | (14,187) | | | (15,787) |
| NET PROPERTY DEFICIT | | | £(8,419) | | | £(8,417) |