
G. IDRIS TRADING COMPANY LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 1998**



G. IDRIS TRADING COMPANY LIMITED

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G. IDRIS TRADING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 1998

The directors present their report and the financial statements for the year ended 31 May 1998.

Principal activities

The Company's principal activity during the year was that of hoteliers.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were :

	<u>Ordinary shares of £1 each</u>	
	<u>1998</u>	<u>1997</u>
G. N. Idriss	9,999	9,999
Mrs. G. M. Idriss	1	1

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 11 November 1998 and signed on its behalf.



G. N. IDRIS
Secretary

G. IDRIS TRADING COMPANY LIMITED

**ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL STATEMENTS
TO THE DIRECTORS OF G. IDRIS TRADING COMPANY LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 May 1998 set out on pages 3 to 8, and you consider that the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.

CALDER & CO

1 REGENT STREET
LONDON SW1Y 4NW

11 November 1998

G. IDRIS TRADING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 May 1998

	Note	1998 £	1997 £
TURNOVER	1,2	204,809	195,480
Administrative expenses		(190,572)	(261,090)
OPERATING PROFIT/(LOSS)	3	14,237	(65,610)
Other non-trading income		-	41,200
Interest receivable		1,372	98
Interest payable		(10,501)	(12,132)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		5,108	(36,444)
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	4	(5,650)	-
LOSS FOR THE YEAR		(542)	(36,444)
LOSS BROUGHT FORWARD		(201,631)	(165,187)
LOSS CARRIED FORWARD		£ (202,173)	£ (201,631)

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

G. IDRIS TRADING COMPANY LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES
For the year ended 31 May 1998

	1998 £	1997 £
Loss for the financial year after taxation	(542)	(36,444)
Unrealised surplus on revaluation of properties	-	200,000
Total gains and losses relating to the year	£ (542)	£ 163,556

G. IDRIS TRADING COMPANY LIMITED

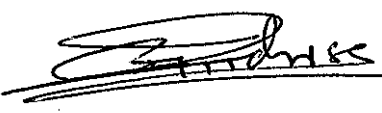
BALANCE SHEET
As at 31 May 1998

	Note	£	1998 £	£	1997 £
FIXED ASSETS					
Tangible fixed assets	5		988,015		1,029,377
CURRENT ASSETS					
Stocks		500		500	
Debtors	6	3,913		5,368	
Cash at bank and in hand		26,966		29,081	
		<u>31,379</u>		<u>34,949</u>	
CREDITORS: amounts falling due within one year	7	<u>(32,139)</u>		<u>(31,529)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(760)</u>		<u>3,420</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			987,255		1,032,797
CREDITORS: amounts falling due after more than one year	8		<u>(100,000)</u>		<u>(145,000)</u>
NET ASSETS			<u>£ 887,255</u>		<u>£ 887,797</u>
CAPITAL AND RESERVES					
Called up share capital	9		10,000		10,000
Revaluation reserve			1,079,428		1,079,428
Profit and loss account			<u>(202,173)</u>		<u>(201,631)</u>
SHAREHOLDERS' FUNDS			<u>£ 887,255</u>		<u>£ 887,797</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and no notice requiring an audit has been deposited under section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 May 1998 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The financial statements were approved by the board on 11 November 1998 and signed on its behalf


G. N. IDRIS Director

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 1998

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities and include the results of the company's operations which are described in the Directors' Report.

1.2 Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2%	Straight line basis
Motor vehicles	-	25%	Straight line basis
Fixtures & fittings	-	15%	Reducing balance basis

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

2. TURNOVER

All of the company's turnover arose within the United Kingdom.

3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	1998 £	1997 £
Depreciation of tangible fixed assets		
- owned by the company	41,362	41,549
Directors' emoluments	48,168	40,901
	<u> </u>	<u> </u>

G. IDRIS TRADING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 1998

4. TAXATION

	1998 £	1997 £
Current year taxation		
UK corporation tax at 21% (1997 - 21%)	£ 5,650	£ -

5. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Motor cars, Fixtures & Fittings £	Total £
Cost or valuation			
At 1 June 1997	1,175,000	27,660	1,202,660
At 31 May 1998	1,175,000	27,660	1,202,660
Depreciation			
At 1 June 1997	158,700	14,583	173,283
Charge for year	38,300	3,062	41,362
At 31 May 1998	197,000	17,645	214,645
Net Book Value			
At 31 May 1998	£ 978,000	£ 10,015	£ 988,015
At 31 May 1997	£ 1,016,300	£ 13,077	£ 1,029,377

The freehold buildings were valued on 31st January 1997 by Orbiton Estates at £1,175,000. The historical cost of land and buildings was £95,572 and the aggregate depreciation thereon would have been £37,414. (1997:£35,503)

On the historical cost basis, land and buildings would have been included as follows:

	1998 £	1997 £
Cost	95,572	95,572
Cumulative depreciation	(37,414)	(35,503)
Net book amount	£ 58,158	£ 60,069

6. DEBTORS

	1998 £	1997 £
Due within one year		
Trade debtors	3,807	4,116
Other debtors	106	1,252
	£ 3,913	£ 5,368

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 1998

7. CREDITORS:
Amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	-	2,285
Trade creditors	4,893	5,476
Corporation tax	5,650	-
Other creditors	21,596	23,768
	<u>£ 32,139</u>	<u>£ 31,529</u>

Included within other creditors is an amount of £10,325 (1997 - £7,238) relating to social security and other taxes.

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

	1998 £	1997 £
Bank loans and overdrafts	100,000	145,000
	<u>£ 100,000</u>	<u>£ 145,000</u>

Included within the above are amounts falling due as follows:

In more than 5 years:

Loan instalments	100,000	145,000
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The bank loan of £100,000 is repayable wholly after five years by lump sum repayments as and when the company wishes to do so and is renewable at the end of the seven year term. The rate of interest on the loan is 2 1/2% over bank rate.

The borrowing is secured by a charge over the companys' leasehold properties.

9. CALLED UP SHARE CAPITAL

	1998 £	1997 £
Authorised		
10,000 ordinary shares of £1 each	£ 10,000	£ 10,000
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>