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SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990

KPMG Peat Marwick Audit



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT

The directors present their annual report on the affairs of the group, together with the consolidated accounts and auditors' report for the year ended 31st July 1990.

Principal activities and business review

The principal activities of the group during the year were the production of journals and publications, the supply of information relating to building construction and maintenance, together with the provision of other services for the surveying profession.

The accompanying chairman's statement gives further details of the group's activities and progress during the year.

The directors do not recommend the payment of a dividend in respect of the year covered by the accounts.

Directors

The directors of the company who served during the year were as follows:

R.S. Broadhurst, FRICS (chairman)  
J.M. Allan, FRICS (resigned 31st July 1990)  
N.J. Arthur, FRICS (resigned 31st July 1990)  
S.H. Kolesar, ARICS  
C. Lenan, FCIM  
C.H. Lewis, FRICS  
M.A. Pattison, BA  
S.G. Povall, FRICS (resigned 31st July 1990)  
J.R. Thomas, FRICS (resigned 31st July 1990)  
D.M. Dickinson, FCCA (appointed 1st March 1990)  
R.N. Goodchild, FRICS (appointed 1st August 1990)

The directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Fixed assets

Information relating to changes in tangible fixed assets is given in note 9 to the accounts.

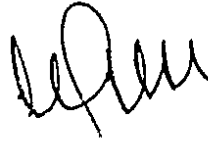
SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT  
(continued)

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Peat Marwick McLintock as auditors of the company is to be proposed at the forthcoming annual general meeting.

By Order of the Board



Secretary

11 Great George Street,  
London.  
SW1

KPMG Peat Marwick McLintock

AUDITORS' REPORT TO THE MEMBERS OFSURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

We have audited the accounts on pages 4 to 23 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group at 31st July 1990 and of the consolidated profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*K/Mc Peat Marwick Nichol*

Birmingham  
15th January 1991

Chartered Accountants

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE TWELVE MONTHS ENDED 31st JULY 1990

	Note	Year ended 31st July 1990 £'000	Year ended 31st July 1989 £'000
TURNOVER	1[g]	4,913	6,008
Deduct turnover of related companies		(2,292)	(3,665)
	2	<u>2,621</u>	<u>2,343</u>
Cost of sales		(1,614)	(1,372)
GROSS PROFIT		<u>1,007</u>	<u>971</u>
Other operating expenses	3	(1,812)	(1,501)
Other operating income		116	-
OPERATING LOSS	4	<u>(689)</u>	<u>(530)</u>
Income from UK listed fixed asset investments		187	283
Other interest receivable and similar income		989	386
Profit on sale of fixed asset investments		359	441
Share of related company's and joint venture's profits		111	543
Amounts written back to/(written off) investments		42	(56)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	<u>999</u>	<u>1,067</u>
Tax on profit on ordinary activities	1[f],8	270	(592)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION BEING PROFIT FOR THE FINANCIAL YEAR		<u>1,269</u>	<u>475</u>
Retained profit brought forward		1,313	838
RETAINED PROFIT CARRIED FORWARD		<u>2,582</u>	<u>1,313</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

AT 31st JULY 1990

	Note	<u>31st July 1990</u>		<u>31st July 1989</u>	
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<b>FIXED ASSETS</b>					
Tangible assets	1[c] & 9	3,761		998	
Investment in related company and joint venture	1[d] & 10	750		853	
Other investments	1[d] & 10	2,395		5,996	
			6,906		7,847
<b>CURRENT ASSETS</b>					
Stocks	1[e] & 11	206		246	
Debtors	12	541		298	
Investments	13	4,560		2,501	
Cash at bank and in hand		804		889	
		6,111		3,934	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	14	(1,437)		(1,774)	
<b>NET CURRENT ASSETS</b>			4,674		2,160
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,580		10,007
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	15		(8,998)		(8,694)
<b>NET ASSETS</b>			2,582		1,313
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		-		-
Profit and loss account			2,582		1,313
			2,582		1,313

These accounts were approved by the board of directors on 15th January 1991.

*[Signature]*  
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) DIRECTORS  
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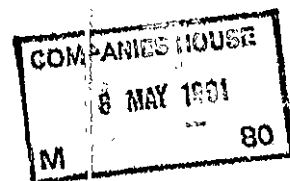
SURVEYORS HOLDINGS LIMITEDBALANCE SHEETAT 31st JULY 1990

	Note	31st July 1990 £'000	31st July 1989 £'000
<b>FIXED ASSETS</b>			
Tangible assets	1[c] & 9	3,753	998
Investments	1[d] & 10	3,030	6,849
		<hr/>	<hr/>
		6,783	7,847
<b>CURRENT ASSETS</b>			
Stocks	1[e] & 11	203	244
Debtors	12	528	295
Investments	13	4,560	2,501
Cash at bank and in hand		733	837
		<hr/>	<hr/>
		6,024	3,877
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	14	(1,345)	(1,703)
<b>NET CURRENT ASSETS</b>			
		<hr/>	<hr/>
		4,679	2,174
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<hr/>	<hr/>
		11,462	10,021
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>			
	15	(8,998)	(8,694)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
	1[f] & 16	(35)	(14)
<b>NET ASSETS</b>			
		<hr/>	<hr/>
		2,429	1,313
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	-	-
Profit and loss account		2,429	1,313
		<hr/>	<hr/>
		2,429	1,313

These accounts were approved by the board of directors on 15th January 1991.

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) DIRECTORS  
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KPMG Peat Marwick Mainwaring

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDING 31st JULY 1990

	Year ended 31st July 1990		Year ended 31st July 1989	
	£'000	£'000	£'000	£'000
<b>SOURCE OF FUNDS</b>				
Profit on ordinary activities before taxation		999		1,067
Adjustment for items not involving the movement of funds:				
Depreciation	223		219	
Surplus on sale of fixed asset investments	(359)		(441)	
Surplus on sale of tangible fixed assets	(1)		-	
Related company and joint venture profits before tax	(111)		(543)	
Equity accounting adjustment	9		-	
		(239)		(765)
<b>FUNDS GENERATED FROM OPERATIONS</b>		760		302
<b>FUNDS FROM OTHER SOURCES</b>				
Proceeds from disposal of fixed asset investments	7,716		6,169	
Proceeds from disposal of tangible fixed assets	1		-	
Increase in creditors falling due after more than one year	304		624	
Disinvestment in related company and joint venture	145			
		8,166		6,793
		8,926		7,095
<b>APPLICATION OF FUNDS</b>				
Purchase of tangible fixed assets	2,986		890	
Purchase of fixed asset investments	3,756		6,816	
Tax paid (net)	132		240	
		(6,874)		(7,946)
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		2,052		(851)



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31st JULY 1990  
 (continued)

	Year ended 31st July 1990		Year ended 31st July 1989	
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL				
Stocks	(40)		22	
Debtors	301		11	
Investments	2,059		435	
Creditors other than bank overdraft falling due within one year	(196)		(301)	
		2,124		167
Movement in net liquid funds:				
Cash at bank and in hand	(85)		(1,006)	
Bank overdraft	13		(12)	
		(72)		(1,018)
		<u>2,052</u>		<u>(851)</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's accounts:

(a) Basis of accounting

The accounts are prepared under the historical cost convention.

(b) Basis of consolidation

The group accounts consolidate the accounts of Surveyors Holdings Limited and its subsidiary companies made up to 31st July 1990, together with the group's share of the results of its related company and joint venture for the year ended 31st March 1990. In the company accounts, investment in subsidiary companies is stated at cost less amounts written off. No profit and loss account is presented for the company as provided by Section 228 of the Companies Act 1985. Of the consolidated profit for the financial year attributable to the shareholders of Surveyors Holdings Limited £1,116,000 (1989: £475,000) has been dealt with in the accounts of the company.

(c) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets by equal instalments over their estimated useful lives as follows:

Computer equipment and motor vehicles	- 3 years
Office equipment	- 4 years
Fixtures and fittings	- 5 years

Long leasehold land is not depreciated.

(d) Fixed asset investments

Fixed asset investments are treated in the accounts of the company as follows:

(i) Listed investments and subsidiary companies

Listed investments and the company's investment in its subsidiary companies are shown at cost less amounts written off.

(ii) Related company

Investment in the related company is stated at cost, plus long term loans, less amounts written off equivalent to the company's share of losses incurred since incorporation.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990

(continued)

1. Principal accounting policies (continued)

(d) Fixed asset investments (continued)

(iii) Joint venture

Investment in the joint venture is stated at cost, plus long term loans less amounts written off.

(iv) Income from listed investments

Income is included, with any related tax credit, in the accounts of the period in which it is receivable.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective items where appropriate.

(f) Taxation

Corporation tax is provided on taxable profit at the current rate.

Deferred taxation (which arises from differences in timing, principally of depreciation, between the accounts and the tax computations) is calculated using the liability method. Under this method, deferred taxation is only provided in cases where it is expected that an actual corporation tax liability will arise at some future date and is calculated at the current rate of tax, which is reviewed annually to reflect changes in tax rates.

(g) Turnover

Turnover represents the value of goods and services provided and is stated net of discounts and VAT.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

2. Turnover

Excluding the group's share of the related company's turnover the analysis of turnover by activity is as follows:

	Year ended 31st July 1990 £'000	Year ended 31st July 1989 £'000
Surveyors publications and bookselling	1,851	1,625
Westminster Centre	257	221
Surveyors appointments consultancy	130	251
Asset leasing	248	116
Building Maintenance Information Limited	88	130
Mountain Peak Limited	47	-
	<u>2,621</u>	<u>2,343</u>

Substantially all of the group's turnover arises as a result of trading activities in the United Kingdom.

3. Other operating expenses

	Year ended 31st July 1990 £'000	Year ended 31st July 1989 £'000
Other operating expenses comprise:		
Distribution costs	4	5
Administrative expenses	1,808	1,496
	<u>1,812</u>	<u>1,501</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

4. Operating loss

The analysis of operating loss by activity is as follows:

	Year ended 31st July 1990 <u>£'000</u>	Year ended 31st July 1989 <u>£'000</u>
Surveyors publications and bookselling	67	155
Westminster Centre	14	32
Surveyors appointments consultancy	(8)	59
Asset leasing	(16)	(75)
Payment to RICS Journals Limited	(188)	(470)
Mountain Peak Limited	(31)	-
Building Maintenance Information Limited	9	(25)
Administration and consultancy costs	(536)	(206)
	<u>(689)</u>	<u>(530)</u>

5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/  
(crediting) the following:

	Year ended 31st July 1990 <u>£'000</u>	Year ended 31st July 1989 <u>£'000</u>
Depreciation and other amounts written off tangible fixed assets	223	219
Auditors' remuneration	30	20
Profit on disposal of tangible fixed assets	(1)	-
Exceptional item: Payment to RICS Journals Limited in connection with the provision under licence of professional journals to members of The Royal Institution of Chartered Surveyors	<u>188</u>	<u>450</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

6. Staff

The average number of persons employed by the company and its subsidiaries (including executive directors) during the year, analysed by category, was as follows:

	Year ended 31st July 1990 <u>Number</u>	Year ended 31st July 1989 <u>Number</u>
Distribution	7	8
Sales	14	13
Administration	23	20
	<u>44</u>	<u>41</u>

The aggregate payroll costs of these persons was as follows:

	<u>£'000</u>	<u>£'000</u>
Wages and salaries	479	388
Social security costs	64	55
Other pension costs	36	30
	<u>579</u>	<u>473</u>

7. Directors' emoluments

The directors' emoluments for the year were as follows:

	Year ended 31st July 1990 <u>£'000</u>	Year ended 31st July 1989 <u>£'000</u>
Emoluments	<u>63</u>	<u>2</u>

The emoluments, excluding pension contributions, of the chairman and highest paid director were as follows:

	Year ended 31st July 1990 <u>£</u>	Year ended 31st July 1989 <u>£</u>
Chairman	Nil	Nil
Highest paid director	<u>44,708</u>	<u>2,259</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

7. Directors' emoluments (continued)

The emoluments, excluding pension contributions, of the other directors were within the following bands:

	Year ended 31st July 1990 <u>Number</u>	Year ended 31st July 1989 <u>Number</u>
£Nil	7	9
£10,001 - £15,000	1	-
	<u>      </u>	<u>      </u>

8. Tax on profit on ordinary activities

The tax (credit)/charge is based on the profit of the group for the year and comprises:

	Year ended 31st July 1990 <u>£'000</u>	Year ended 31st July 1989 <u>£'000</u>
Corporation tax at 35% (1989: 35%)	289	362
Less: Relief for overseas taxation	(5)	-
	<u>284</u>	<u>362</u>
Overprovision in prior years	(646)	-
Tax attributable to franked investment income	27	64
Tax attributable to related company	60	240
Reduction in liability to related company for consortium relief	-	(74)
Overseas tax suffered	5	-
	<u>(270)</u>	<u>592</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

9. Tangible fixed assets

(a) The movement in the year for the group was as follows:

<u>Cost</u>	<u>Long leasehold land and buildings</u> <u>£'000</u>	<u>Assets in the course of construction</u> <u>£'000</u>	<u>Motor vehicles</u> <u>£'000</u>	<u>Fixtures and fittings</u> <u>£'000</u>	<u>Computer equipment</u> <u>£'000</u>	<u>Office equipment</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
At 1st August 1989	420	365	103	248	728	45	1,909
Additions	2,461	-	90	24	151	260	2,986
Disposals	-	-	(9)	-	-	-	(9)
Reclassifications	365	(365)	-	-	-	-	-
At 31st July 1990	3,246	-	184	272	879	305	4,886
<u>Depreciation</u>							
At 1st August 1989	-	-	56	153	662	40	911
Charge for the year	-	-	56	26	103	38	223
Disposals	-	-	(9)	-	-	-	(9)
At 31st July 1990	-	-	103	179	765	78	1,125
<u>Net book value</u>							
At 31st July 1990	3,246	-	81	93	114	227	3,761
At 1st July 1989	420	365	47	95	66	5	998

The long leasehold land and buildings comprise the company's new premises situated at Westwood Business Park, Coventry.

The company occupied these premises immediately prior to the year and accordingly no provision for depreciation in respect of the long leasehold property has been charged in the accounts.



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

9. Tangible fixed assets (continued)

(b) The movement in the year for the company was as follows:

<u>Cost</u>	<u>Long leasehold land and buildings</u> <u>£'000</u>	<u>Assets in the course of construction</u> <u>£'000</u>	<u>Motor vehicles</u> <u>£'000</u>	<u>Fixtures and fittings</u> <u>£'000</u>	<u>Computer equipment</u> <u>£'000</u>	<u>Office equipment</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
At 1st August 1989	420	365	103	248	728	45	1,909
Additions	2,461	-	90	24	142	257	2,974
Disposals	-	-	(9)	-	-	-	(9)
Reclassifications	365	(365)	-	-	-	-	-
At 31st July 1990	3,246	-	184	272	870	302	4,874
<u>Depreciation</u>							
At 1st August 1989	-	-	56	153	662	40	911
Charge for year	-	-	56	26	100	37	219
Disposals	-	-	(9)	-	-	-	(9)
At 31st July 1990	-	-	103	179	762	77	1,121
<u>Net book value</u>							
At 31st July 1990	3,246	-	81	93	108	225	3,753
At 31st July 1989	420	365	47	95	66	5	998

The long leasehold land and buildings comprise the company's new premises situated at Westwood Business Park, Coventry.

The company occupied these premises immediately prior to the year end and accordingly no provision for depreciation in respect of the long leasehold property has been charged in the accounts.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990

(continued)

10. Fixed asset investments

(a) The movement in the year for the company was as follows:

	<u>Listed investments</u> £'000	<u>Subsidiary companies</u> £'000	<u>Related company</u> £'000	<u>Joint venture</u> £'000	<u>Total</u> £'000
<u>Cost</u>					
At 1st August 1989	5,996	41	904	45	6,986
Additions	3,756	37	-	-	3,793
Disposals	(7,357)	-	-	-	(7,357)
Movement in loan account	-	-	(213)	68	(145)
At 31st July 1990	<u>2,395</u>	<u>78</u>	<u>691</u>	<u>113</u>	<u>3,277</u>
<u>Provision</u>					
At 1st August 1989	-	41	51	45	137
Movement in provision	-	-	42	68	110
At 31st July 1990	<u>-</u>	<u>41</u>	<u>93</u>	<u>113</u>	<u>247</u>
<u>Net book value</u>					
At 31st July 1990	<u>2,395</u>	<u>37</u>	<u>598</u>	<u>-</u>	<u>3,030</u>
At 31st July 1989	<u>5,996</u>	<u>-</u>	<u>853</u>	<u>-</u>	<u>6,849</u>

(b) The movement in the year for the group was as follows:

(i) Investment in related company and joint venture

	<u>Related company</u> £'000	<u>Joint venture</u> £'000	<u>Total</u> £'000
<u>Cost</u>			
At 1st August 1989	904	45	949
Movement in loan account	(213)	68	(145)
At 31st July 1990	<u>691</u>	<u>113</u>	<u>804</u>
<u>Share of profits/(losses) after tax</u>			
At 1st August 1989	(51)	(45)	(96)
Share of profits/(losses) after tax for the year	25	(34)	51
Equity accounting adjustment	-	(9)	(9)
At 31st July 1990	<u>34</u>	<u>(88)</u>	<u>(54)</u>
<u>Net book value</u>			
At 31st July 1990	<u>725</u>	<u>25</u>	<u>750</u>
At 31st July 1989	<u>853</u>	<u>-</u>	<u>853</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

10. Fixed asset investments (continued)

(ii) Other investments

	<u>Listed investments £'000</u>
<u>Cost</u>	
At 1st August 1989	5,996
Additions	3,756
Disposals	(7,357)
At 31st July 1990	<u>2,395</u>

The listed investments are all listed on The Stock Exchange. The aggregate cost and market value of listed investments of the group and company was as follows:

	<u>Cost</u>		<u>Market value</u>	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Government securities	516	507	515	511
UK listed securities	1,318	4,938	1,551	5,560
Overseas listed securities	561	551	612	558
	<u>2,395</u>	<u>5,996</u>	<u>2,678</u>	<u>6,729</u>

(c) Investment in subsidiary companies

- (i) The company owns the entire share capital of Building Maintenance Information Limited (BMI), a company incorporated in Great Britain. The principal activity of BMI is to promote research, design and development relating to buildings and construction and to the maintenance and use of buildings.

The company's interest in BMI is represented as follows:

	<u>1990</u>	<u>1989</u>
	<u>£'000</u>	<u>£'000</u>
Share capital	1	1
Loan account	40	40
Less: Amounts written off	(41)	(41)
Net book value	<u>-</u>	<u>-</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

10. Fixed asset investments (continued)

- (ii) During the year the company purchased the entire share capital of Mountain Peak Limited (MPL), a company incorporated in Great Britain. The principal activity of MPL is to act as the holding company for its 50% share in a joint venture with Salford University Business Services Limited. The consideration amounted to the fair value of the net assets acquired and consequently no purchased goodwill arose from the acquisition. MPL had not traded prior to acquisition.

The company's interest in MPL is represented as follows:

	<u>1990</u>	<u>1989</u>
	<u>£'000</u>	<u>£'000</u>
Share capital	-	-
Loan account	37	-
Less: Amounts written off	-	-
Net book value	<u>37</u>	<u>-</u>

- (iii) In the opinion of the directors, the aggregate value of the shares in BMI and MPL is not less than the amounts stated in the company's balance sheet.

(d) Investment in related company

The company owns 50% of the share capital of RICS Journals Limited. RICS Journals Limited is incorporated in Great Britain and the holding is stated at cost plus long term loans, less amounts written off to reflect the company's share of losses incurred since incorporation. The principal activity of RICS Journals Limited is the publication of professional journals under licence from Surveyors Holdings Limited which owns the titles.

The figures incorporated into the consolidated accounts are based on the audited accounts of RICS Journals Limited to 31st March 1990.

The company's investment in RICS Journals Limited comprises:

	<u>1990</u>	<u>1989</u>
	<u>£'000</u>	<u>£'000</u>
Share capital	1	1
Long term loans	690	903
Less: Amounts written off	(93)	(51)
	<u>598</u>	<u>853</u>

SURVEYORS HOLDINGS LIMITED  
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NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

10. Fixed asset investments (continued)

The group's investment in RICS Journals Limited comprises:

	<u>1990</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>
Share capital at cost	1	1
Long term loans	690	903
Company's share of retained profits/(losses) to date	34	(51)
	<u>725</u>	<u>853</u>

(e) Investment in joint venture

The company has a 50% share in a joint venture which trades as Institution and College Conferences (ICC). The holding is stated at cost, less amounts written off to reflect the company's share of losses incurred since trading commenced on 1st January 1988. The principal activity of the joint venture is the arranging of conferences for the surveying profession.

The figures incorporated into the consolidated accounts are based on the audited accounts to 31st March 1990.

The company's investment in ICC comprises:

	<u>1990</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>
Long and short term loans at cost	113	45
Less: Amounts written off	(113)	(45)
	<u>-</u>	<u>-</u>

11. Stocks

The stocks held by the group and the company are books held for resale. The estimate replacement cost approximates to their balance sheet value.

	<u>Group</u>		<u>Company</u>	
	<u>1990</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>	<u>1990</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>
Finished goods for resale	<u>206</u>	<u>246</u>	<u>203</u>	<u>244</u>

SURVEYORS HOLDINGS LIMITED  
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FOR THE YEAR ENDED 31st JULY 1990  
(continued)

12. Debtors

	<u>Group</u>		<u>Company</u>	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Amounts falling due within one year:				
Trade debtors	130	135	130	135
VAT	199	53	194	50
Prepayments and accrued income	108	52	103	52
Income tax recoverable	-	58	-	58
Other debtors	104	-	101	-
	<u>541</u>	<u>298</u>	<u>528</u>	<u>295</u>

13. Current asset investments

Current asset investments of the group and the company comprise short term deposits.

14. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Bank loans and overdrafts	-	13	-	-
Trade creditors	231	208	231	208
Accruals and deferred income	682	532	590	474
Other creditors:				
UK corporation tax payable	472	992	472	992
Amounts due to related companies and joint ventures	52	29	52	29
	<u>1,437</u>	<u>1,774</u>	<u>1,345</u>	<u>1,703</u>

15. Creditors: Amounts falling due after more than one year

Creditors falling due after more than one year comprise amounts due to The Royal Institution of Chartered Surveyors (RICS), which owns the entire share capital of the company. The loan is interest free and RICS has given an undertaking not to request payment for at least twelve months.

SURVEYORS HOLDINGS LIMITED  
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NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

16. Provision for liabilities and charges

	<u>Company</u> <u>Other</u> <u>provisions</u> <u>£'000</u>
At 1st August 1989	14
Profit and loss account charge	21
At 31st July 1990	<u>35</u>

Both the group and the company have no potential liability for deferred taxation at 31st July 1990 (1989: £Nil).

Other provisions comprise a provision against the net liabilities of the company's wholly owned subsidiary, BMI and a provision against the net liability of the company's joint venture, ICC.

17. Share capital

The authorised, allotted, called and fully paid up share capital of the company consists of 100 ordinary shares of £1 each (1989: £Nil).

18. Capital commitments

Capital commitments of the group and the company at 31st July 1990, for which no provision has been made in these accounts, were as follows:

	<u>1990</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>
Contracted	219	2,705
Authorised but not contracted for	42	502
	<u>261</u>	<u>3,207</u>

19. Pension obligations

The company is party to a pension scheme operated by The Royal Institution of Chartered Surveyors providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested with an insurance company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company.

SURVEYORS HOLDINGS LIMITED  
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NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1990  
(continued)

19. Pension obligations (continued)

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 1st January 1987 which showed that the market value of the scheme's assets represented 85% of the benefits that had accrued to members, after allowing for expected future increases in earnings. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 1% per annum compound in excess of salary increases and that present and future pensions would increase at the rate of 5% per annum compound except for Guaranteed Minimum Pensions. The contributions of the company and employees were set at 15% and 4% of earnings respectively. Since the last actuarial valuation, the company has enhanced the benefits accruing to members and, on actuarial advice, the company's contribution was increased to 15.2% of earnings. An interim valuation at 1st January 1990 indicated a value of 100% of accrued benefits.

The triennial valuation due on 1st January 1990 has been deferred, on actuarial advice, to 1st January 1991 following the significant staff changes arising from the relocation to Coventry.

The pension charge for the year was £24,000 (1989: £30,000). Contributions paid in advance at the year end amounting to £12,478 (1989: £14,553) are included in prepayments and accrued income.

20. Ultimate holding body corporate

The company's ultimate holding body corporate is The Royal Institution of Chartered Surveyors.