
The Osprey Management Company Limited

Financial Statements

for the year ended 30th September 1997



The Osprey Management Company Limited

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The Osprey Management Company Limited

Directors' Report

for the year ended 30th September 1997

The directors submit their report together with the unaudited financial statements for the year ended 30th September 1997.

Principal Activity

The principal activity of the company continued to be that of property management.

The directors' are pleased to report a satisfactory years trading and are hopeful of maintaining this in the forthcoming period.

Directors and their Interests

The directors who served during the year and their beneficial interests in the share capital of the company were as follows:

| | Ordinary shares of £1 each | |
|----------------|-----------------------------------|---------------------|
| | 1997 No. | 1996 No. |
| V. S. N. Hards | 60,000 | 60,000 |
| J. E. Brewer | - | - |
| T. Osborne | - | - |

Directors' Statement

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 for that year. 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 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.

The Osprey Management Company Limited

Directors' Report

for the year ended 30th September 1997

Reporting Accountants

The Reporting Accountants, BRB Wilkins Kennedy Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

Exemption Statement

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.

By Order of the Board:

A handwritten signature in dark ink, appearing to read 'J. E. Brewer', is written above the printed name and title.

J. E. Brewer
Secretary

Accountants' Report to the Directors
on the Unaudited Accounts of The Osprey Management Company Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30th September 1997 set out on pages 4 to 11, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records, information and explanations supplied to us.

Elvaco House
180 High Street
Egham
TW20 9DN

17th February 1998

BRB Wilkins Kennedy

BRB Wilkins Kennedy
Chartered Accountants
Reporting Accountants

The Osprey Management Company Limited

Profit and Loss Account

for the year ended 30th September 1997

| | Notes | 1997 £ | 1996 £ |
|--|-------|-----------|-----------|
| Turnover | 2 | 131,561 | 127,177 |
| Cost of sales | | (9,635) | (7,262) |
| Gross profit | | 121,926 | 119,915 |
| Administrative expenses | | (107,910) | (82,831) |
| Operating profit | 3 | 14,016 | 37,084 |
| Interest receivable | 6 | 1,674 | 385 |
| Interest payable | 7 | (2,560) | (2,256) |
| Profit on ordinary activities before Taxation | | 13,130 | 35,213 |
| Tax on profit on ordinary activities | 8 | (694) | (8,028) |
| Profit on ordinary activities after Taxation | | 12,436 | 27,185 |
| Dividends | 9 | (3,200) | (2,000) |
| Retained profit transferred to reserves | 17 | 9,236 | 25,185 |

All amounts relate to continuing activities.

The Osprey Management Company Limited

Total Recognised Gains and Losses

for the year ended 30th September 1997

| | 1997 | 1996 |
|---|----------------|---------------|
| | £ | £ |
| Statement of Total Recognised Gains and Losses | | |
| Profit for the financial year | 12,436 | 27,185 |
| Unrealised Surplus on revaluations of freehold land and buildings | 142,600 | - |
| Total recognised gains since the last financial statements | <u>155,036</u> | <u>27,185</u> |
| Note of Historical Cost Profits and Losses | | |
| Profit on ordinary activities before taxation | 13,130 | 35,213 |
| Historical cost profit before taxation | <u>13,130</u> | <u>35,213</u> |
| Historical cost profit transferred to reserves | <u>9,236</u> | <u>25,185</u> |

The Osprey Management Company Limited

Balance Sheet

as at 30th September 1997

| | Notes | 1997 £ | 1996 £ |
|---|-------|----------------|-----------------|
| Fixed Assets | | | |
| Tangible Fixed Assets | 10 | 289,347 | 154,832 |
| Current Assets | | | |
| Debtors | 11 | 15,520 | 16,907 |
| Cash at bank and in-hand | | 56,831 | 36,498 |
| | | <u>72,351</u> | <u>53,405</u> |
| Creditors: | | | |
| Amounts falling due within one year | 12 | (79,026) | (73,831) |
| Net Current (Liabilities) | | <u>(6,675)</u> | <u>(20,426)</u> |
| Provisions for liabilities and charges | 13 | (17,062) | (20,632) |
| | | <u>265,610</u> | <u>113,774</u> |
| Capital and Reserves | | | |
| Called up share capital | 14 | 60,000 | 60,000 |
| Revaluation reserve | 17 | 142,600 | - |
| Profit and loss account | 17 | 63,010 | 53,774 |
| Equity Shareholders' Funds | 15 | <u>265,610</u> | <u>113,774</u> |

In the directors' opinion the company was entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 30th September 1997. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for: ensuring that the company keeps accounting records which comply with Section 221; and for preparing accounts which give a true and fair view of the state of the affairs of the company as at 30th September 1997 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, 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.

These accounts were approved by the board on . 16. 2. 98.

V. S. N. Hards
Director



The Osprey Management Company Limited

Notes to the Financial Statements

for the year ended 30th September 1997

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention, modified to include the revaluation of certain fixed assets.

Cash Flow Statement

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rates generally applicable are:

| | |
|-------------------------|-------------------|
| Plant and machinery | 25% straight line |
| Motor vehicles | 25% straight line |
| Furniture and equipment | 5% straight line |

No depreciation is provided in respect of freehold buildings held as investment properties in accordance with SSAP 19. The directors consider that this departure from the Companies Act 1985 requirement is necessary to show a true and fair view.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

2 Turnover

The turnover and operating profit for the year was derived from the company's principal activity and was carried out wholly in the UK.

The Osprey Management Company Limited

Notes to the Financial Statements

for the year ended 30th September 1997

3 Operating Profit

The operating profit is stated after charging or crediting:

| | 1997 | 1996 |
|-----------------------------|-------|--------|
| | £ | £ |
| Depreciation - owned assets | 9,881 | 10,007 |

4 Directors and Employees

Staff costs during the year were as follows:

| | 1997 | 1996 |
|-----------------------|--------|--------|
| | £ | £ |
| Wages and salaries | 43,350 | 28,189 |
| Social security costs | 3,884 | 3,007 |
| Other pension costs | 23,889 | 14,007 |
| | 71,123 | 45,203 |

The average monthly number of employees, including directors, during the year was as follows:

| | 1997 | 1996 |
|----------------|--------|--------|
| | Number | Number |
| Administration | 2 | 1 |
| Management | 3 | 3 |
| | 5 | 4 |

Remuneration in respect of directors was as follows:

| | 1997 | 1996 |
|---|--------|--------|
| | £ | £ |
| Aggregate amount of emoluments paid in respect of qualifying services | 34,000 | 23,750 |
| Pensions paid to directors | 23,889 | 14,007 |
| | 57,889 | 37,757 |

5 Directors

| | 1997 | 1996 |
|--------------------|--------|--------|
| | £ | £ |
| Total remuneration | 57,889 | 37,757 |

6 Interest Receivable

| | 1997 | 1996 |
|------------------------|-------|------|
| | £ | £ |
| Bank interest received | 1,674 | 385 |

7 Interest Payable

| | 1997 | 1996 |
|-------------|-------|-------|
| | £ | £ |
| Other Loans | 2,560 | 2,256 |

The Osprey Management Company Limited

Notes to the Financial Statements

for the year ended 30th September 1997

| | | | |
|-----------|---|-------------------------------|--|
| 8 | Tax on Profit on Ordinary Activities | 1997 | 1996 |
| | | £ | £ |
| | Based on the profit for the year: | | |
| | U.K. Corporation tax at 23% (1996: 24%) | 4,264 | 9,817 |
| | Deferred tax charge | (3,570) | (1,789) |
| | | <u>694</u> | <u>8,028</u> |
| 9 | Dividends | 1997 | 1996 |
| | | £ | £ |
| | Equity | | |
| | Ordinary shares - interim paid | 3,200 | - |
| | Ordinary shares - final proposed | <u>-</u> | <u>2,000</u> |
| 10 | Tangible Fixed Assets | | |
| | | Land and Buildings | Plant, Machinery and Other Assets |
| | | £ | £ |
| | Cost or valuation | | £ |
| | At 1st October 1996 | 50,000 | 188,885 |
| | Additions | - | 1,796 |
| | Revaluation | 142,600 | 142,600 |
| | At 30th September 1997 | <u>192,600</u> | <u>333,281</u> |
| | Depreciation | | |
| | At 1st October 1996 | - | 34,053 |
| | Charge for year | - | 9,881 |
| | At 30th September 1997 | <u>-</u> | <u>43,934</u> |
| | Net Book Value | | |
| | At 30th September 1997 | <u>192,600</u> | <u>289,347</u> |
| | At 30th September 1996 | <u>50,000</u> | <u>154,832</u> |
| 11 | Debtors | 1997 | 1996 |
| | | £ | £ |
| | Trade debtors | 150 | 87 |
| | Other debtors | 15,370 | 16,820 |
| | | <u>15,520</u> | <u>16,907</u> |

The Osprey Management Company Limited

Notes to the Financial Statements

for the year ended 30th September 1997

| | | | |
|-----------|---|---------------|---------------|
| 12 | Creditors: Amounts falling due within one year | 1997 | 1996 |
| | | £ | £ |
| | Bank loans and overdrafts | 18,036 | - |
| | Trade creditors | - | 2,544 |
| | Other creditors | 56,695 | 60,971 |
| | Corporation tax | 4,295 | 10,316 |
| | | <u>79,026</u> | <u>73,831</u> |

13 Deferred Taxation

Deferred taxation provided and unprovided for in the financial statements is set out below. The amount unprovided represents a contingent liability at the Balance Sheet date and is calculated using a tax rate of 21%.

| | Amount Provided | | Amount Unprovided | |
|--------------------------------|-----------------|---------------|-------------------|----------|
| | 1997 | 1996 | 1997 | 1996 |
| | £ | £ | £ | £ |
| Accelerated capital allowances | 17,062 | 20,632 | - | - |
| | <u>17,062</u> | <u>20,632</u> | <u>-</u> | <u>-</u> |

14 Share Capital

| | | |
|--|-----------------|-----------------|
| Authorised | 1997 | 1996 |
| | £ | £ |
| 75,000 Ordinary shares of £1 each (1996: 75,000) | 75,000 | 75,000 |
| | <u>75,000</u> | <u>75,000</u> |
| Allotted and fully paid | 1997 | 1996 |
| | £ | £ |
| 60,000 Ordinary shares of £1 each (1996: 60,000) | 60,000 | 60,000 |
| | <u>60,000</u> | <u>60,000</u> |

The Osprey Management Company Limited

Notes to the Financial Statements

for the year ended 30th September 1997

15 Reconciliation of the Movement in Shareholders' Funds

| | 1997 £ | 1996 £ |
|---------------------------------|----------------|----------------|
| Profit for the financial year | 12,436 | 27,185 |
| Dividends | (3,200) | (2,000) |
| | <u>9,236</u> | <u>25,185</u> |
| Other recognised gains | 142,600 | - |
| | <u>151,836</u> | <u>25,185</u> |
| Increase in shareholders' funds | 113,774 | 88,589 |
| Opening shareholders' funds | <u>265,610</u> | <u>113,774</u> |
| Closing shareholders' funds | <u>265,610</u> | <u>113,774</u> |

16 Pensions - Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

17 Reserves

| | Revaluation Reserve | Profit and Loss Account |
|----------------------------------|------------------------|-------------------------------|
| | £ | £ |
| At 1st October 1996 | - | 53,774 |
| Profit for the year | - | 9,236 |
| Surplus on revaluation of assets | 142,600 | - |
| | <u>142,600</u> | <u>63,010</u> |
| At 30th September 1997 | <u>142,600</u> | <u>63,010</u> |