

1871279
SCHOFIELD CENTRE LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 1988



SCHOFIELD CENTRE LIMITEDDIRECTORS' REPORT

The directors present their annual report and audited accounts for the year ended 31st December 1988.

Business review

The company is principally engaged in developing a prime retail centre in Leeds.

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Loss on ordinary activities before taxation	(1,165)	(1,155)
Taxation credit	400	8,800
(Loss)/profit for the financial year	<u>(765)</u>	<u>7,645</u>

The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors serving during the year were:

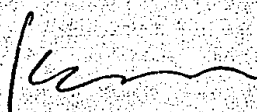
S.F. Pickstock
 A.J. Collins
 B.R. Burtleson (resigned 13th September 1988)
 S.M. Millington
 R.T.E. Ware
 B.S.P. Dowling (appointed 13th September 1988)

No director had any interest in the shares of the company during the year.

Auditors

In accordance with Section 384(1) of the Companies Act 1985, a resolution for the re-appointment of Messrs. Peat Marwick McLintock as auditors of the company is to be proposed at the forthcoming annual general meeting.

By Order of the Board



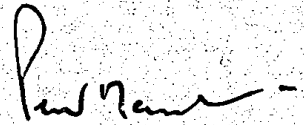
Secretary

2.

AUDITORS' REPORT TO THE MEMBERS OF
SCHOFIELD CENTRE LIMITED

We have audited the accounts on pages 3 to 7 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st December 1988 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Birmingham

Chartered Accountants

8th March 1989

SCHOFIELD CENTRE LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31st DECEMBER 1988

	<u>Note</u>	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
Administrative expenses		(1,165)	(1,155)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(1,165)	(1,155)
Taxation on loss on ordinary activities	4	400	8,800
(LOSS)/PROFIT ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR		(765)	7,645
Retained loss brought forward		(110,552)	(118,197)
RETAINED LOSS CARRIED FORWARD		(111,317)	(110,552)

SCHOFIELD CENTRE LIMITEDBALANCE SHEETAT 31st DECEMBER 1988

	Note	1988 £	1987 £
CURRENT ASSETS			
Stocks	5	670,458	1,251,171
Debtors	6	676,852	596,469
Cash at bank and in hand		10,000	-
		<u>1,357,310</u>	<u>1,847,640</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	(1,388,427)	(1,869,092)
NET CURRENT LIABILITIES		(31,117)	(21,452)
PROVISIONS FOR LIABILITIES AND CHARGES	8	(80,100)	(89,000)
NET LIABILITIES		<u>(111,217)</u>	<u>(110,452)</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account		(111,317)	(110,552)
		<u>(111,217)</u>	<u>(110,452)</u>

These accounts were approved by the board of directors on 8th March 1989.

S. H. H. H.
R. H. H. H.

)
) DIRECTORS
)

SCHOFIELD CENTRE LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st DECEMBER 19881. 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 accounts:

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Stocks

Stocks are valued at the lower of cost and net realisable value. Costs include interest charges on borrowings which are directly related to specific development projects. Such interest is capitalised from the time it is certain that the development will proceed.

2. Directors' emoluments

The directors have neither received nor waived any emoluments during the year (1987: £Nil).

3. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Auditors' remuneration	1,165	1,155

4. Taxation on loss on ordinary activities

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Corporation tax at 35%	(8,500)	-
Amount receivable for group relief based on the loss for the year at 35%	-	41,800
Transfer (from)/to deferred taxation	8,900	(33,000)
	<u>400</u>	<u>8,800</u>

SCHOFIELD CENTRE LIMITEDNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 1988
(continued)

5. Stocks

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Stocks comprise:		
Long term contract work in progress	670,458	1,251,171

Long term contract work in progress is stated after deducting progress payments receivable amounting to £24,206,628 (1987: £18,763,518).

Long term contract work in progress includes interest capitalised of £305,000 (1987: £305,000).

6. Debtors

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Amounts falling due within one year:		
Trade debtors	31,000	-
Amounts owed by related companies	420,264	50
Other debtors	225,588	596,419
	<u>676,852</u>	<u>596,469</u>

Other debtors include consortium relief receivable of £161,800 (1987: £161,800).

7. Creditors: Amounts falling due within one year

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Bank loans and overdrafts	-	81
Trade creditors	732,417	67,008
Amounts owing to related companies	622,136	1,802,003
Other creditors including taxation and social security	8,500	-
Accruals and deferred income	25,374	-
	<u>1,388,427</u>	<u>1,869,092</u>
Other creditors comprise:		
Corporation tax	8,500	-

SCHOFIELD CENTRE LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st DECEMBER 1988

(continued)

8. Provisions for liabilities and charges

	<u>Deferred taxation</u> <u>£</u>
Balance at 1st January 1987	89,000
Credit in the profit and loss account	(8,900)
Balance at 31st December 1988	<u>80,100</u>

9. Share capital

	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
Authorised, allotted, called up and fully paid:		
50 'A' ordinary shares of £1 each	50	50
50 'B' ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

The company's share capital is held equally by Farmcote Developments Limited and Clayform Properties PLC.