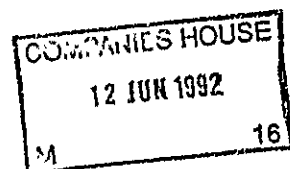


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TALLYSIDE LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1991



*Lewis, Berman & Partners*

CHARTERED ACCOUNTANTS

141 HIGH STREET BARNET  
HERTS EN9 5UZ

Telephone: 081-441 6466

REPORT OF THE DIRECTORS OF TALLYSIDE LIMITED

The Directors present their annual report together with the audited accounts of the Company for the year ended 31st May 1991.

PRINCIPAL ACTIVITY

Housing accommodation for mentally handicapped people.

BUSINESS REVIEW

Gross fee income increased by approximately 38% but operating costs increased by 56% compared with the previous year. Pre-tax profits amounted to £41436 (1990 £51753). The results are considered satisfactory and the directors are cautiously confident that 1991/92 will produce an improved performance.

RESULTS AND DIVIDEND

The results for the year are as set out in detail on page 4. The Directors recommend that no dividend be paid on the Ordinary Shares for the year ended 31st May 1991. (1990 : £ NIL)

DIRECTORS

The Directors who served during the year and the beneficial (and family) interests of those serving at the end of the year in the shares of the Company were:

	<u>1991</u>	<u>1990</u>
Louis Sideras	55	55
Eleni Sideras	28	28
George Sideras (appointed 07.11.90)	7	7

TAXATION STATUS

The Company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution to re-appoint the auditors, Messrs Lewis Berman & Partners will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

.....  
Secretary

Date: 21st October 1991

REPORT OF THE AUDITORS TO THE MEMBERS OF TALLYSIDE LIMITED

We have audited the financial statements set out on pages 3 to 9 in accordance with Auditing Standards.

No provision has been made for depreciation of freehold properties. This is not in accordance with Statement of Standard Accounting Practice No.12 and of Schedule 4 Companies Act 1985. A provision of £5764 (1990 £5589) would be required to comply.

Except for the above non compliance, in our opinion, the financial statements give a true and fair view of the state of the Company's affairs at 31st May 1991 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PO Box 1495  
141 High Street  
Barnet  
Herts EN5 5XU



LEWIS BERMAN & PARTNERS  
Chartered Accountants  
Registered Auditors

Date: 21st October 1991

# 18-06-92

TALLYSIDE LIMITED

BALANCE SHEET AS AT 31ST MAY 1991

	<u>Notes</u>	<u>£</u>	<u>1991</u>	<u>£</u>	<u>£</u>	<u>1990</u>	<u>£</u>
<u>FIXED ASSETS</u>							
Intangible assets	8		7826			1071	
Tangible assets	1(c)/9		315370			310167	
			323196			311238	
<u>CURRENT ASSETS</u>							
Debtors	10	29868			17000		
Cash in hand		106			127		
			29974		17127		
<u>CREDITORS: Amounts falling due within one year</u>	11	(68035)			(73738)		
<u>NET CURRENT (LIABILITIES)</u>			(38061)			(56611)	
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			285135			254627	
<u>CREDITORS: Amounts falling due after more than one year</u>	12		(186699)			(187760)	
<u>NET ASSETS</u>			£98436			£66867	
<u>CAPITAL AND RESERVES</u>							
Called up share capital	2		100			100	
Profit and loss account			98336			66767	
<u>TOTAL CAPITAL EMPLOYED</u>			£98436			£66867	

Approved by the Board of Directors  
on 21st October 1991

.....  
.....  
.....

The notes on pages 5 to 9 form part of these accounts.

TALLYSIDE LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MAY 1991

	<u>Notes</u>	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
<u>TURNOVER</u>	1(b)/3	446355	324471
Administrative expenses		(378587)	(246616)
<u>OPERATING PROFIT</u>	4	67768	77855
Interest payable	6	(26332)	(26102)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		41436	51753
Tax on profit on ordinary activities	7	(9867)	(17482)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION FOR THE FINANCIAL YEAR</u>		31569	34271
<u>RETAINED PROFIT AT THE BEGINNING</u> <u>OF THE YEAR</u>		56767	32496
<u>RETAINED PROFIT AT THE END</u> <u>OF THE YEAR</u>		£98336	£66767

The notes on pages 5 to 9 form part of these accounts.

TALLYSIDE LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST MAY 19911. STATEMENT OF ACCOUNTING POLICIES(a) Basis of accounting

The accounts have been prepared on the historical cost basis.

(b) Turnover

This comprises the value of zero rated services provided in the normal course of business.

(c) Tangible fixed assets and depreciation

Depreciation is provided at the rates calculated to write off the assets over their estimated useful lives as follows:-

Furniture, fixtures and fittings	- 10% (reducing balance)
Motor vehicles	- 20% ( " " )

The directors do not consider it necessary to provide for depreciation for the freehold property as it is subject to continuous maintenance and its residual value is considered to be in excess of cost.

2. CALLED UP SHARE CAPITAL

	<u>1991</u>	<u>1990</u>
Authorised:		
100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
Allotted, issued and fully paid:		
100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

3. TURNOVER

The turnover and profit before taxation is attributable to the following class of business:-

The provision of accommodation and services for mentally handicapped persons.

TALLYSIDE LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST MAY 19914. OPERATING PROFIT

The operating profit is stated after charging:  
 Formation expenditure  
 Amounts written off tangible fixed assets  
 Staff Costs (Note 5)  
 Auditors' remuneration

<u>1991</u>	<u>1990</u>
<u>£</u>	<u>£</u>
-	161
5628	4436
245470	153683
5000	4600
-----	-----

5. STAFF COSTS

Directors' remuneration  
 Wages and salaries  
 Social security costs  
 Directors' pension scheme

<u>1991</u>	<u>1990</u>
<u>£</u>	<u>£</u>
36490	21828
172098	108183
16632	13172
20250	10500
-----	-----
£245470	£153683
-----	-----

The average weekly number of employees during the year and an analysis between appropriate categories is as follows:-

	<u>1991</u>	<u>1990</u>
Administrative	28	28
	-----	-----

6. INTEREST PAYABLE

Bank loans and overdrafts  
 Other loans repayable within five years  
 Other loans repayable wholly or in part  
 after five years

<u>1991</u>	<u>1990</u>
<u>£</u>	<u>£</u>
1742	406
-	1422
24590	24274
-----	-----
£26332	£26102
-----	-----

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is based on the profit for the year and comprises:

Corporation Tax charge at 25%  
 Adjustment in respect of prior years

<u>1991</u>	<u>1990</u>
<u>£</u>	<u>£</u>
9867	12673
-	4809
-----	-----
£9867	£17482
-----	-----

TALLYSIDE LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST MAY 19918. INTANGIBLE ASSETSEndowment Policy  
Premium Fund£At 01.06.90  
Premium paid in year1071  
6755

At 31.05.91

£2826

The bid value of the units comprising the above contracts was nil at 31.5.91

9. TANGIBLE FIXED ASSETS

	<u>Freehold</u> <u>Property</u> <u>£</u>	<u>Furniture</u> <u>Fixtures</u> <u>&amp; Fittings</u> <u>£</u>	<u>Motor</u> <u>Vehicles</u> <u>£</u>	<u>Total</u> <u>Fixed</u> <u>Assets</u> <u>£</u>
<u>Cost:</u>				
At 01.06.90	279429	22008	17797	319234
Additions at cost	8791	860	5900	15551
Disposals	-	-	(5900)	(5900)
At 31.05.91	288220	22868	17797	328885
<u>Depreciation:</u>				
At 01.06.90	-	4149	4918	9067
Released on disposals	-	-	(1180)	(1180)
Provision for the year	-	1872	3756	5628
At 31.05.91	-	6021	7494	13515
<u>Written down value:</u>				
At 31.05.91	£289220	£16847	£10303	£315370
At 31.05.90	£279429	£17859	£12879	£310167

10. DEBTORS

	<u>1991</u>	<u>1990</u>
Sundry debtors	£29868	£17000



TALLYSIDE LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST MAY 199111. CREDITORS: Amounts falling due within one year

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Hire purchase	1165	2616
Social security and other taxes	21116	15152
Directors' current accounts	1337	19475
Accruals	7755	5850
Corporation tax	15311	17482
Bank loans and overdrafts (Note 12)	21351	13163
	<hr/>	<hr/>
	£68035	£73738
	<hr/>	<hr/>

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

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Hire purchase	-	545
Building society advances	184000	187215
Bank loan	2699	-
	<hr/>	<hr/>
	£186699	£187760
	<hr/>	<hr/>

ANALYSIS OF BANK BORROWING

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Due within five years:		
within one year	21351	13163
Due by instalments after more than five years:		
Bank loan	2699	-
Building society advances	184000	187215
	<hr/>	<hr/>
Aggregate amount	£208050	£200378
	<hr/>	<hr/>

The aggregate amount of £208050 was secured by way of charge over freehold properties.

TALLYSIDE LIMITEDSTATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31ST MAY 1991

	<u>£</u>	<u>1991</u> <u>£</u>	<u>£</u>	<u>1990</u> <u>£</u>
<u>SOURCE OF FUNDS</u>				
Net profit for the year before taxation		41436		51753
Items not involving the movement of funds:				
Depreciation of fixed assets	5628		4436	
Formation costs	-		161	
Loss on disposal of fixed assets	1470		-	
		7098		4597
<u>Funds from other sources</u>				
Building society advances	-		187215	
Proceeds on sale of motor vehicle	3250		-	
		3250		187215
		51784		243565
<u>Application of Funds</u>				
Payment of building society	3215		-	
Purchase of properties	8791		241091	
Purchase of fixtures and fittings	860		11907	
Purchase of motor vehicle	5900		-	
Proceeds from vehicle scrapped	-		(20)	
Reclassified re. 1989	-		(1859)	
Tax paid	12038		-	
		(30804)		(251119)
<u>Increase/(Decrease) in working capital</u>				
		£20980		£(7554)
<u>Explained as follows:</u>				
Increase/(Decrease) in debtors		26338		(3473)
(Decrease) in cash balances		(21)		(453)
Decrease/(Increase) in creditors		5550		(9528)
		31867		(13454)
(Increase)/Decrease in bank overdraft		(10887)		5900
		£20980		£(7554)