

Itemtrump Limited

Report and financial statements

31 December 1996

Company Number : 2119703



Itemtrump Limited

Directors:

R G Day
A R Hillman
A A Kerr
P R Cushen
N A Le Quesne

Secretary: JTC Management Limited

Auditors: KPMG
Chartered Accountants

Registered office: 49 Mount Street
London
W1Y 4RE

Itemtrump Limited

Directors' report

The directors submit their report and the audited financial statements for the year ended 31 December 1996.

Activities

The principal activity of the company is property investment.

Results

The results for the year are shown in the profit and loss account on page 5.

Dividend

The directors do not recommend the payment of a dividend (year ended 31 December 1995: Nil).

Directors

The directors of the company during the year were as stated on page 1.

None of the directors had an interest in the shares of the company during the year.

Secretary

The secretary, Praetor Management Limited, changed its name to JTC Management Limited on 4 November 1996.

Directors' responsibilities

The directors are responsible for preparing 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 or loss for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements that are reasonable and prudent;
- 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 that the financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Itemtrump Limited

Directors' report

Auditors

A resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



Secretary

for and on behalf of
JTC Management Limited
as Secretary
17 JUNE 1997



P.O. Box 453
38/39 The Esplanade
St. Helier
Jersey, Channel Islands, JE4 8WQ

Auditors' report to the members of

Itemtrump Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

Registered Auditor

18th July

1997



Itemtrump Limited

Profit and loss account for the year ended 31 December 1996

	<i>Note</i>	1996 £	1995 £
Turnover	2	49,233	37,969
Cost of sales		<u>(30,102)</u>	<u>(9,606)</u>
Profit on ordinary activities before taxation		19,131	28,363
Taxation on profit on ordinary activities	5	<u>(3,252)</u>	<u>(8,702)</u>
Profit on ordinary activities after taxation		15,879	19,661
Retained profit brought forward		<u>70,036</u>	<u>50,375</u>
Retained profit carried forward		<u>£ 85,915</u>	<u>£ 70,036</u>

The company has no recognised gains and losses other than the profit for the year.

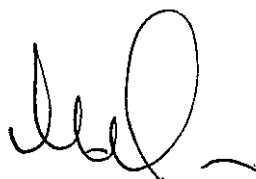
Itemtrump Limited

Balance sheet at 31 December 1996

		1996	1995
	Note	£	£
Fixed assets			
Investment property	6	276,934	276,934
Current assets			
Debtors	7	76,002	44,302
Cash at bank		<u>5,211</u>	<u>4,962</u>
		<u>81,213</u>	<u>49,264</u>
Liabilities falling due within one year	8	<u>30,905</u>	<u>38,131</u>
Net current assets		<u>50,308</u>	<u>11,133</u>
Net assets		<u>£ 327,242</u>	<u>£ 288,067</u>
Capital and reserves			
Share capital	9	2	2
Profit and loss account		<u>85,915</u>	<u>70,036</u>
Equity shareholders' funds		85,917	70,038
Loan from holding company	10	<u>241,325</u>	<u>218,029</u>
		<u>£ 327,242</u>	<u>£ 288,067</u>

The financial statements on pages 5 to 10 were approved by the Board of Directors on 17 JUNE 1997 and are signed on its behalf by:

Directors



Itemtrump Limited

Notes to the financial statements

1. 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 financial statements:-

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, except for Statement of Standard Accounting Practice Number 19.

Turnover

Turnover represents ground rents receivable, water charges levied and rents receivable on the porter's flat in respect of the investment property.

Service charges

Costs incurred in the provision of utilities and services to the tenants occupying the investment property are recharged to the tenants and the financial statements reflect these transactions.

Related party transactions

Under Financial Reporting Standard No 8 the company is exempt from the requirement to disclose related party transactions with group companies on the grounds that it is a wholly owned subsidiary.

Investment property

The investment property is included at cost.

No depreciation or amortisation is provided in respect of the long leasehold investment property which has over 20 years of the lease remaining.

Shareholders' funds

The profit on ordinary activities after taxation shown in the profit and loss account represents the only movement in shareholders' funds for the year. Consequently, no reconciliation of movements in shareholders' funds has been provided.

Cashflow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cashflow statement on the grounds of its size.

Itemtrump Limited

Notes to the financial statements (continued)

2. Turnover

	1996 £	1995 £
Ground rents	12,409	13,382
Water charges	11,603	16,792
Rental income	14,915	7,710
Interest receivable	-	85
Sundry income	<u>10,306</u>	<u>-</u>
	£ 49,233	£ 37,969

3. Other income

	1996 £	1995 £
Service charge income	312,363	291,718
Service charge expenditure	<u>(312,363)</u>	<u>(291,718)</u>
	£ -	£ -

Service charges to tenants are assessed on a calendar year basis.

4. Directors' emoluments and staff costs

Directors' emoluments

No amounts were paid during the year (year ended 31 December 1995: Nil).

Staff costs

	1996 £	1995 £
Wages and salaries	39,653	57,691
Social security costs	<u>2,773</u>	<u>4,034</u>
	£ 42,426	£ 61,725

The average number of persons employed by the company during the year was 5 (year ended 31 December 1995: 7).

Itemtrump Limited

Notes to the financial statements (continued)

5. Taxation on profit on ordinary activities

	1996	1995
	£	£
UK corporation tax at 24% (1995: 25%) on the profit for the year on ordinary activities	4,877	8,702
Over accrual in prior year	<u>(1,625)</u>	<u>-</u>
	£ <u>3,252</u>	£ <u>8,702</u>

6. Fixed assets

		Long leasehold land and buildings
Investment property:		
Cost at 1 January 1996 and 31 December 1996		£ <u>276,934</u>

7. Debtors

	1996	1995
	£	£
Prepayments and accrued income	34,599	38,673
Other debtors	<u>41,403</u>	<u>5,629</u>
	£ <u>76,002</u>	£ <u>44,302</u>

8. Liabilities falling due within one year

	1996	1995
	£	£
Accruals and deferred income	17,786	19,435
Taxation	3,252	8,702
Other creditors	<u>9,867</u>	<u>9,994</u>
	£ <u>30,905</u>	£ <u>38,131</u>

9. Share capital

	1996	1995
Authorised:		
1,000 ordinary shares of £1 each	£ <u>1,000</u>	£ <u>1,000</u>
Issued and fully paid:		
2 ordinary shares of £1 each	£ <u>2</u>	£ <u>2</u>

Itemtrump Limited

Notes to the financial statements (continued)

10. **Loan from holding company**

The loan from the holding company is unsecured, free of interest with a repayment date unspecified. The loan was provided as company finance.

11. **Holding company**

The company is a wholly owned subsidiary of Princes Court Limited, a company incorporated in Jersey, Channel Islands.