

2269148

VANSON (CRAWLEY) LIMITED

ACCOUNTS

31 JULY 1989



VANSON (CRAWLEY) LIMITED  
ANNUAL REPORT AND STATEMENT OF ACCOUNTS  
for the period 20 June 1988 to 31 July 1989

CONTENTS

Page 1. to 2	Report of the directors
3	Auditors' Report
4	Profit and loss account
5	Balance sheet
6 to 8	Notes to the accounts
9	Statement of source and application of funds

VANSON (CRAWLEY) LIMITED

Report of the Directors

The directors present their first annual report and accounts for the period ended 31 July 1989.

**RESULTS**

The Company was incorporated on 20 June 1988 as Squarefin 118 Limited. On 29 December 1988 it changed its name to Vanson (Crawley) Limited.

**PRINCIPAL ACTIVITIES**

The Company operates as a property developer.

**DIRECTORS**

The directors during the period were as follows:

Finsquare Directors Limited	(appointed 20.6.88, resigned 25.11.88)
A.E. Bland	(appointed 25.11.88)
A.W.G. Viccary	(appointed 25.11.88)
A. Walker	(appointed 13.06.89)

1. Mr. A.W.G. Viccary held 1500 ordinary £1 shares in the company's immediate holding company, Vanson Developments Limited, throughout the period. He also held 260,000 ordinary 10p shares in Virgin Group plc (subsequently renamed Virgin Management Limited), the ultimate holding company of Vanson (Crawley) Limited at the beginning of the year. He had no interest in the shares of Virgin Communications Limited, the ultimate holding company at the end of the year.
2. The remaining Directors had no interest in the shares of these companies or any other group company during the period.

**CHANGE IN HOLDING COMPANY**

In January 1989, the publicly-held shares in Virgin Group plc were bought by Glowtrack Limited, a company owned by certain of the directors of Virgin Group plc. Following this buyout, the resulting group was demerged into four separate legal groups, each with an ultimate holding company owned by the shareholder-directors of Glowtrack Limited. Vanson (Crawley) Limited thereby became a member of the group of which the ultimate holding company was Netstir Limited (subsequently renamed Virgin Group Limited). However, at 31 July 1989, as part of the demerger process, and on a temporary basis only, the ultimate holding company was Virgin Communications Limited.

AUDITORS

The Directors appointed KPMG Peat Marwick McLintock to act as first auditors of the company. In accordance with section 385 of the Companies Act 1985 a resolution to reappoint the auditors, KPMG Peat Marwick McLintock will be proposed at the Annual General Meeting.

By order of the Board



R.P. Flynn  
Secretary

120 Campden Hill Road  
London  
W8 7AR

26 September 1990

VANSON (CRAWLEY) LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF VANSON (CRAWLEY) LIMITED

We have audited the financial statements set out on pages 4 to 9 in accordance with Auditing Standards.

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company at 31 July 1989 and of the results and source and application of funds for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Peat Marwick McLintock*

1 Fuddle Dock  
Blackfriars  
London EC4V 3PD

KPMG Peat Marwick McLintock  
Chartered Accountants

26 September 1990

VANSON (CRAWLEY) LIMITEDProfit and loss accountfor the period ended 31 July, 1989

		<u>1989</u> £
Turnover	1b) & 2	32,030,000
Cost of Sales		(32,030,000)
Gross Profit		-
Administrative expenses		-
Operating Profit		-
Interest receivable and similar income		-
Profit on ordinary activities before taxation		-
Tax on Profit on ordinary activities		-
Profit on ordinary activities after taxation		-
		=====

The notes on pages 5 to 8 form part of these accounts.

VANSON (CRAWLEY) LIMITEDBalance sheet 31 July 1989Notes

			<u>1989</u> £
		£	
CURRENT ASSETS			
Stocks	4	47,888	
Debtors	5	<u>32,030,000</u>	
		32,077,888	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	<u>(32,077,886)</u>	
NET ASSETS			2 =====
CAPITAL AND RESERVES			
Called up share capital	7		2 =====

The notes on pages 6 to 8 form part of these accounts.

The accounts on pages 4 to 9 were approved by the Board of Directors on 26 September 1990 and signed on its behalf by:

A E BLAND

A W VICCARY

DIRECTORS

VANSON (CRAWLEY) LIMITED

Notes to the accounts  
for the period ended 31 July 1989

2. ACCOUNTING POLICIES

The following accounting policies have been consistently applied 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) Turnover

Turnover represents sales of developments in the United Kingdom, together with attributable turnover on ongoing projects to the stage of completion at the accounting date.

c) Development properties and long term contracts

Development properties and long term contracts are valued at the lower of cost and net realisable value. Full provision is made for estimated losses to completion.

Progress payments received and receivable where in excess of recorded turnover are deducted from and to the extent that such payments exceed the value of work in progress on any contract, the excess is included in current liabilities. The amount by which recorded turnover on long term contracts is in excess of payments on account is classified as "amount recoverable on contracts" and is disclosed within debtors.

d) Capitalisation of interest.

Interest incurred on loans to finance the costs of properties in the course of development is added to the cost of the relevant project.

2. TURNOVER

In the opinion of the directors, there is only one activity being that of property development.



VANSON (CRAWLEY) LIMITEDNotes to the accountsfor the period ended 31 July 1989 .

## 3. INTEREST

	1989
Bank interest payable	2,071,959
Interest payable to holding company	<u>13,884</u>
	2,085,843
Less interest capitalised	(2,085,843)
	=====
	-
	=====

## 4. STOCKS

	1989
	£
Long Term contracts	<u>47,885</u>
	=====

In preparing these accounts the directors have based their estimates of net realisable values of the various development properties that the company owns upon formal valuation reports prepared by members of the Royal Institute of Chartered Surveyors, who are also directors of the company. In each case these valuations are based on current expectations as to the likely further costs that will be incurred on the development and the timing of likely sales. The valuations were made on the "open market value" basis, assuming an orderly realisation over a reasonable time as would be necessary to achieve a satisfactory market value.

## 5. DEBTORS

	1989
	£
Amounts recoverable on contracts	<u>32,030,000</u>
	=====

## 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1989
	£
Bank loans and overdrafts	24,887,454
Amounts owed to group companies	6,005,215
Accruals and deferred income	<u>1,185,217</u>
	32,077,886
	=====

VANSON (CRAWLEY) LIMITEDNotes to the accounts  
for the period ended 31 July 1989

## 7. SHARE CAPITAL

	<u>1989</u>
Authorised:	
100 ordinary shares of £1 each	100
	=====
Issued, called up and fully paid:	
2 ordinary shares of £1 each	2
	=====

The share capital was allotted on 20 June 1988 (date of incorporation) for a consideration of £2.

## 8. CAPITAL COMMITMENTS

No capital expenditure had been contracted for or approved by the Directors at 31 July 1989.

## 9. CONTINGENT LIABILITY

As far as the Directors are aware, there are no claims outstanding which would have a significant effect on the Company.

## 10. HOLDING COMPANY

The ultimate holding company at the year end, on a temporary basis only, was Virgin Communications Limited, a company incorporated in England. The ultimate holding company subsequently was Virgin Group Limited.

VANSON (CRAWLEY) LIMITED  
STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE PERIOD ENDED 31 JULY 1989

Period to  
 31 July  
 1989  
 £

SOURCE OF FUNDS

Issue of share capital	2	
INCREASE IN WORKING CAPITAL	2	=====

MOVEMENTS IN WORKING CAPITAL

Increase in stocks	47,888	
Increase in debtors	32,030,000	
Increase in creditors	(32,077,886)	
	2	=====