

MUREHOUSE PROPERTIES LIMITED

31st DECEMBER 1995

ABBREVIATED ACCOUNTS



HUBBART, DUROSE & PAIN

Chartered Accountants

NOTTINGHAM

REPORT OF THE AUDITORS TO THE DIRECTORS OF

MUREHOUSE PROPERTIES LIMITED

Under Paragraph 24, Schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 5 together with the full statutory accounts of the company for the year ended 31st December 1995 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the Directors' Statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the full statutory accounts, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full statutory accounts.

OPINION

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1995, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 25th March 1996 we reported, as Auditors of Murehouse Properties Limited, to the shareholders on the full statutory accounts for the year ended 31st December 1995, and our audit report under Section 235 of the Companies Act 1985 was as follows:-

"We have audited the accounts on pages 6 to 10 which have been prepared under the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

REPORT OF THE AUDITORS

TO THE DIRECTORS OF MUREHOUSE PROPERTIES LIMITED (CONTINUED)

Under Paragraph 24 of Schedule 8 to the Companies Act 1985

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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts are free from material mis-statement, 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31st December 1995 and of the profit of the company for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies".

HUBBART, DUROSE & PAIN
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
King Edward Court
King Edward Street
Nottingham
NG1 1EW

Hubbart Durose & Pain

25th March 1996

MUREHOUSE PROPERTIES LIMITED

ABBREVIATED BALANCE SHEET at 31st DECEMBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
TANGIBLE FIXED ASSETS	2	£270,797	£271,261
CURRENT ASSETS			
Debtors		£1,402	£1,967
Cash at bank		<u>6,305</u>	<u>4,678</u>
		7,707	6,645
CREDITORS - amounts falling due within one year	3	<u>70,037</u>	<u>75,008</u>
NET CURRENT ASSETS		<u>(62,330)</u>	<u>(68,363)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£208,467</u>	<u>£202,898</u>
CAPITAL AND RESERVES			
Called up share capital	4	£186,002	£186,002
Share premium		27,368	27,368
Profit and loss account		<u>(4,903)</u>	<u>(10,472)</u>
SHAREHOLDERS' FUNDS		<u>£208,467</u>	<u>£202,898</u>

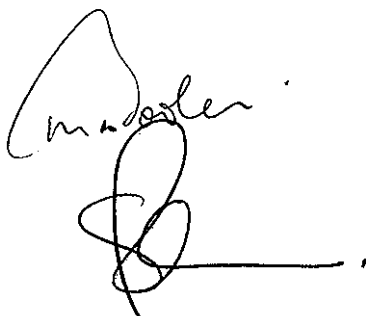
The directors have taken advantage of the abbreviated disclosure exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies provided by Part I of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Signed on behalf of the
board of directors

M. D. BOOLER

C. A. BUTTERFIELD
DIRECTORS



Approved by the Board: 25th March 1996

The notes on pages 4 and 5 form an integral part of these accounts.

NOTES TO THE ACCOUNTS for the year ended 31st DECEMBER 1995**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold investment properties.

Compliance with SSAP 19 'Accounting for Investment Properties' requires departure from the requirements of the companies Act 1985 relating to depreciation and an explanation of the departure is given in 'Depreciation' below.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to include a cash flow statement in the accounts on the grounds that it is a small company.

Turnover

Turnover consists of gross rental income receivable on investment properties.

Depreciation

Depreciation is charged to amortise the cost of fixed assets over their useful economic lives in equal annual instalments.

The rates of depreciation used are:-

Carpets	15% per annum
Office equipment	15% per annum

In accordance with SSAP 19 freehold land and buildings held as Investment Properties are not depreciated. This is not in accordance with the Companies Act 1985 but the adoption of SSAP 19 is, in the opinion of the Directors, necessary in order for the accounts to give a true and fair view. If this departure from the Act had not been made the profit for the year would have been reduced by depreciation although the charge cannot reasonably be quantified in the absence of an analysis of cost/value of land and buildings.

Deferred taxation

No provision has been made at 31st December 1995 as the excess of capital allowances over depreciation charged in the accounts and short-term timing differences are not material.

Freehold Investment Properties

Freehold investment properties are included in the accounts at open market value, assuming vacant possession, as determined by a firm of independent Chartered Surveyors. It is the Board's intention to incorporate regular revaluations of the properties in the financial statements in accordance with Statement of Standard Accounting Practice 19.

2. FIXED ASSETS

	<u>Total</u>
Valuation/cost at 1st January 1995	
and at 31st December 1995	£273,091

Depreciation at 1st January 1995	1,830
Charge for year	<u>464</u>
Depreciation at 31st December 1995	2,294

Net book value at 31st December 1995	£270,797

Net book value at 31st December 1994	£271,261

MUREHOUSE PROPERTIES LIMITED

NOTES TO THE ACCOUNTS for the year ended 31st DECEMBER 1995

3. CREDITORS - amounts falling due within one year

Creditors falling due within one year includes a bank loan of £66,000 (1994, £70,000) secured by way of a first legal charge over freehold property and repayable in full on 3rd December 1996.

4. SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
<u>Authorised</u>		
Ordinary shares of £1 each	£1,000,000	£1,000,000
	_____	_____
<u>Allotted, issued and fully paid</u>		
Ordinary shares of £1 each	£186,002	£186,002
	_____	_____

In accordance with the terms of agreements dated 19th November 1990 the company has granted options to subscribe for Ordinary shares in the company at par to C. A. Butterfield and M. D. Booler. The number of shares which may be subscribed for is dependent on the company's performance.

5. DIRECTORS AND OTHER INTERESTS

C. A. Butterfield is the principal of C. A. Butterfield & Co. which received fees of £2,609 (1994, £2,652) plus VAT during the year under a five-year contract for the provision of accounting, administrative and management services.