

2549709

WALTON SECURITIES (1990) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED

31 MARCH 1999



WALTON SECURITIES (1990) LIMITED

FINANCIAL STATEMENTS

Year ended 31 March 1999

CONTENTS

	Page
Company particulars	1
Report of the directors	2
Report of the auditors	3
Profit and loss account	4
Statement of total recognised gains and losses	5
Balance sheet	6
Notes relating to the financial statements	7 - 9

WALTON SECURITIES (1990) LIMITED

FINANCIAL STATEMENTS

Year ended 31 March 1999

Directors

S A Hayward
S W Clarke
J L Gerard-Pearse
M E MacGregor

Secretary

J L Gerard-Pearse

Registered office

Lyndon House
58/62 Hagley Road
Edgbaston
Birmingham

Auditors

Cooper-Parry
Chartered Accountants
Derby

Solicitors

Goodger, Auden & Co.
Burton-on-Trent
Staffs

Registered number

2549709

WALTON SECURITIES (1990) LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report and the financial statements for the year ended 31 March 1999.

Statement of directors' responsibilities

Company law requires the directors to prepare 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 of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Activities

The company invests in and administers business accommodation.

Dividend

The directors propose to pay a dividend of £1,000 per share in respect of the year, amounting to £100,000.

Directors and their interests in share capital

The directors who have held office during the year are listed on page 1.

The interests of the directors in the share capital of the company have been as follows:

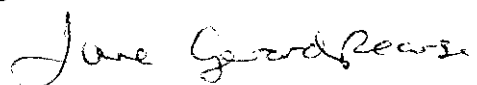
	At 31 March 1999 £1 Ordinary shares	At 1 April 1998 £1 Ordinary shares
S W Clarke	25	25
J L Gerard-Pearse	25	25
M E MacGregor	25	25
S A Hayward	25	25

Close company status

The company is, for taxation purposes, a close company.

The Report of the Directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors



J L GERARD-PEARSE
Director

Approved by the board on 22.7.99

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
WALTON SECURITIES (1990) LIMITED**

We have audited the financial statements on pages 4 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

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 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



COOPER-PARRY

DERBY

29 July 1999

Chartered Accountants

Registered Auditor

WALTON SECURITIES (1990) LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 1999

	Notes	1999 £	1998 £
Rental income		171,653	355,028
Administrative expenses		12,597	12,276
		<u>159,056</u>	<u>342,752</u>
Interest payable	4	71,076	228,250
Interest receivable		<u>(5,425)</u>	<u>(7,312)</u>
		65,651	220,938
Profit on ordinary activities before taxation	2	93,405	121,814
Taxation on profit on ordinary activities	3	11,280	23,296
Profit for the financial year		82,125	98,518
Dividends		100,000	-
Retained (loss)/profit for the year	12	<u>(17,875)</u>	<u>98,518</u>

The notes on pages 7 to 9 form part of these financial statements.

WALTON SECURITIES (1990) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Year ended 31 March 1999

	1999	1998
	£	£
Profit for the financial year	82,125	98,518
Unrealised deficit on revaluation of property	-	(48,133)
Provision for deferred tax on potential gain	-	(20,000)
	-	(68,133)
Total recognised gains and losses relating to this year	82,125	30,385

The notes on pages 7 to 9 form part of these financial statements.

WALTON SECURITIES (1990) LIMITED

BALANCE SHEET

At 31 March 1999

	Notes	1999 £	1998 £
Fixed assets			
Tangible fixed assets	5	1,250,000	1,250,000
Current assets			
Debtors	6	18,286	18,958
Investments	7	-	2,751,867
Cash at bank		166,296	101,568
		<u>184,582</u>	<u>2,872,393</u>
Creditors: amounts falling due within one year	8	<u>225,248</u>	<u>2,825,184</u>
Net current (liabilities)/assets		(40,666)	47,209
Total assets less current liabilities		<u>1,209,334</u>	<u>1,297,209</u>
Provision for liabilities and charges	9	-	70,000
		<u>1,209,334</u>	<u>1,227,209</u>
Capital and reserves			
Called up share capital	10	100	100
Revaluation reserve	11	197,632	750,821
Profit and loss account	12	1,011,602	476,288
Shareholders' funds		<u>1,209,334</u>	<u>1,227,209</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the board of directors



S W CLARKE
Director

Approved by the board on 22.7.99

The notes on pages 7 to 9 form part of these financial statements.

WALTON SECURITIES (1990) LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Year ended 31 March 1999

1 Accounting policies

Basis of accounting

The financial statements have been prepared using the historical cost convention, as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities.

Investment properties

In accordance with Statement of Standard Accounting Practice No. 19:

- (i) Interests in investment properties, including fixed plant and landlord's fittings are revalued annually either by the directors or, by external valuers, and the resultant surplus or deficit is taken to revaluation reserve.
- (ii) No amortisation is provided in respect of the long leasehold investment property.

The directors consider that this accounting policy results in the accounts giving a true and fair view.

Cash flow statements

The company has taken advantage of the exemptions granted to it under Financial Reporting Standard 1, as a small company not to publish a cashflow statement.

Deferred taxation

Deferred taxation is calculated on the liability method on all timing differences which the directors expect to reverse in the foreseeable future and is calculated at the rate at which it is estimated tax will become payable.

2 Profit on ordinary activities before taxation

The profit is stated after charging:

	1999 £	1998 £
Auditors' remuneration	1,000	1,000
Directors' fees	10,000	10,000
	<hr/>	<hr/>

3 Taxation on profit on ordinary activities

UK Corporation tax based on the results for the year	81,280	23,296
Deferred tax provision released	(70,000)	-
	<hr/>	<hr/>
	11,280	23,296
	<hr/>	<hr/>

4 Interest payable

On bank loan	71,076	228,250
	<hr/>	<hr/>

WALTON SECURITIES (1990) LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Year ended 31 March 1999

5 Tangible fixed assets

Valuation

**Long leasehold
investment
property
£**

As at 1 April 1998 and 31 March 1999

1,250,000

The company's long leasehold investment property was valued at open market value as at 31 March 1999 by the directors.

The historical cost of the above property is £1,052,368.

6 Debtors

	1999 £	1998 £
Trade debtors	18,286	18,286
Prepayment	-	672
	<u>18,286</u>	<u>18,958</u>

7 Current asset investment

Long leasehold investment property	-	<u>2,751,867</u>
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8 Creditors: amounts falling due within one year

Bank loan (secured)	-	2,500,000
Other loan	-	145,000
Corporation tax	81,280	23,296
Other creditors	43,968	156,888
Proposed dividend	100,000	-
	<u>225,248</u>	<u>2,825,184</u>

9 Deferred taxation

Provision for deferred taxation at 21% on potential gain on sale of property at revalued amount	-	<u>70,000</u>
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WALTON SECURITIES (1990) LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Year ended 31 March 1999

10 Called up share capital

	1999 £	1998 £
Authorised:		
1,000 shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:		
100 shares of £1 each	<u>100</u>	<u>100</u>

11 Revaluation reserve

At 1 April 1998	750,821	818,954
Revaluation during the year	-	(48,133)
Provision for deferred taxation on potential gain on sale of property	-	(20,000)
Transferred to profit and loss account on disposal	<u>(553,189)</u>	<u>-</u>
At 31 March 1999	<u>197,632</u>	<u>750,821</u>

12 Profit and loss account

At 1 April 1998	476,288	377,770
Retained (loss)/profit for the year	(17,875)	98,518
Released from revaluation reserve	<u>553,189</u>	<u>-</u>
At 31 March 1999	<u>1,011,602</u>	<u>476,288</u>

13 Related parties and related party transactions

The company is controlled by the directors who each own 25% of the issued ordinary shares.

Included in creditors falling due within one year at 31 March 1998 (Note 8), was a loan from SW Clarke CBE who is the father of the four directors. The balance of the loan at 31 March 1999 was £nil (31 March 1998 £145,000). No interest was charged on the loan.