

S J S INVESTMENTS LIMITED

ANNUAL REPORT

PERIOD ENDED 30 SEPTEMBER 1994

REGISTERED NO. 2555030

Pannell Kerr Forster



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COMPANIES HOUSE 30/05/95

PANNELL
KERR
FORSTER
CHARTERED ACCOUNTANTS

S J S INVESTMENTS LIMITED

ANNUAL REPORT

PERIOD ENDED 30 SEPTEMBER 1994

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S J S INVESTMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report together with the financial statements for the period ended 30 September 1994.

RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £72,285. The directors recommend the payment of a dividend of £150,000 and that the balance be taken to the profit and loss account.

REVIEW OF THE BUSINESS

The company's principal activity during the period was that of a property investment company.

The directors are satisfied with the company's financial situation at the period end.

DIRECTORS

The directors throughout the period were as follows:-

J A B Corscadden
J R Quarmby
R P Stross

None of the directors had any interest in the share capital of the company at the end of the period.

The directors are all directors of St James Securities Holdings Limited, the company's parent undertaking. Their interests in the shares of that company are disclosed in its directors' report.

FIXED ASSETS

Changes in fixed assets are shown in note 7.

STATUS

The company is a close company under the provisions of the Taxes Act.

AUDITORS

The auditors, Pannell Kerr Forster, Chartered Accountants, have signified their willingness to continue in office. A resolution to reappoint them will be proposed at the annual general meeting.

By order of the board



J A B CORSCADDEN

Secretary

23 May 1995

S J S INVESTMENTS LIMITED

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;
- * state whether applicable accounting standards have been followed, subject to any material departures, disclosed and explained in the financial statements;
- * 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 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.

AUDITORS' REPORT TO THE SHAREHOLDERS OF
S J S INVESTMENTS LIMITED

**PANNELL
KERR
FORSTER**
CHARTERED ACCOUNTANTS

We have audited the financial statements on pages 4 to 10 which have been prepared under 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. 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 affairs of the company as at 30 September 1994 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Manchester

26 May 1995

Pannell Kerr Forster

PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

S J S INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD 30 SEPTEMBER 1994

		15 Months ended 30 September 1994		Year ended 30 June 1993	
	<u>Notes</u>	£	£	£	£
TURNOVER	2		869,652		634,624
ADMINISTRATIVE EXPENSES			164,594		26,131
OPERATING PROFIT			-----		-----
			705,058		608,493
INTEREST RECEIVABLE AND SIMILAR INCOME	3	1,190		3,292	
INTEREST PAYABLE AND SIMILAR CHARGES	4	633,963		511,978	
			-----	-----	
			632,773		508,686
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5		72,285		99,807
TAX ON PROFIT ON ORDINARY ACTIVITIES	6		-		-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			-----		-----
			72,285		99,807
DIVIDEND	7		150,000		-
RETAINED (LOSS)/PROFIT FOR THE PERIOD	13		-----		-----
			(77,715)		99,807
			=====		=====

All amounts relate to continuing operations.

S J S INVESTMENTS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

PERIOD ENDED 30 SEPTEMBER 1994

	15 Months ended <u>30 September 1994</u> £	Year ended <u>30 June 1993</u> £
Profit for the financial period	72,285	99,807
Unrealised surplus on revaluation of properties	900,000	343,293
	-----	-----
Total recognised gains	972,285	443,100
	=====	=====

S J S INVESTMENTS LIMITED

BALANCE SHEET

30 SEPTEMBER 1994

	Notes	<u>30 September 1994</u>		<u>30 June 1993</u>	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		8,600,000		7,700,000
CURRENT ASSETS					
Debtors	9	53,954		70,347	
Cash at bank		119,984			
		-----		-----	
		173,938		70,347	
CREDITORS - Amounts falling due within one year	10	2,354,592		2,116,640	
		-----		-----	
NET CURRENT LIABILITIES			(2,180,654)		(2,046,293)
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			6,419,346		5,653,707
CREDITORS - Amounts falling due after more than one year	11		4,179,520		4,236,166
			-----		-----
			2,239,826		1,417,541
			=====		=====
CAPITAL AND RESERVES					
Called up share capital	12		2		2
Investment revaluation reserve	13		1,849,334		949,334
Profit and loss account	13		390,490		468,205
			-----		-----
EQUITY SHAREHOLDERS' FUNDS	14		2,239,826		1,417,541
			=====		=====

Approved by the board on 23 May 1995

J R QUARMBY

J A B CORSCADDEN

Directors

S J S INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 1994

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

a) Accounting convention

The financial statements set out on pages 4 to 10 are prepared under the historical cost convention, as modified by the revaluation of investment properties and in accordance with applicable accounting standards.

b) Tangible fixed assets

This comprises completed properties at valuation which have been completed and substantially let. No depreciation has been provided in accordance with the provisions of Statement of Standard Accounting Practice No. 19.

2. TURNOVER

	15 Months ended 30 September 1994	Year ended 30 June 1993
	£	£
Rent receivable	851,022	634,624
Management service charges	18,630	-
	-----	-----
	869,652	634,624
	=====	=====

3. INTEREST RECEIVABLE AND SIMILAR INCOME

Other interest	1,190	3,292
	=====	=====

4. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable on bank and other borrowings repayable within five years	1,111	608
Interest payable on borrowings repayable after five years	632,852	511,370
	-----	-----
	633,963	511,978
	=====	=====

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is after charging/(crediting):-

Decrease in provision for diminution in value of amount due from group undertakings	-	(25,838)
Auditors' remuneration	750	675
	=====	=====

S J S INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 1994

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no tax liability on the result for the period.

7. DIVIDEND

	15 Months ended 30 September 1994	Year ended 30 June 1993
	£	£
Proposed final dividend	150,000	-
	=====	=====

8. TANGIBLE FIXED ASSETS

	Freehold investment properties
	£
<u>At valuation</u>	
At 1 July 1993	7,700,000
Revaluation in the period	900,000

At 30 September 1994	8,600,000
	=====

In accordance with the provisions of Statement of Standard Accounting Practice No. 19, investment properties have been revalued by the directors at 30 September 1994 at their open market value.

9. DEBTORS

	15 Months ended 30 September 1994	Year ended 30 June 1993
	£	£
Due within one year:		
Trade debtors	42,344	22,338
Amounts due from group undertakings	8,380	-
Other debtors	3,230	48,009
	-----	-----
	53,954	70,347
	=====	=====

10. CREDITORS

Amounts falling due within one year:-

Bank loan	46,164	39,868
Amounts owed to group undertakings	1,639,003	1,730,850
Proposed dividend	150,000	-
Other taxation and social security	316,239	159,807
Accruals and deferred income	203,186	186,115
	-----	-----
	2,354,592	2,116,640
	=====	=====

S J S INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 1994

11. CREDITORS

	15 Months ended 30 September 1994	Year ended 30 June 1993
	£	£
Amounts falling due after more than one year:-		
Bank loan:		
Amounts falling due between two and five years	249,693	212,300
Amounts falling due after more than five years	3,929,827	4,023,866
	-----	-----
	4,179,520	4,236,166
	=====	=====

The interest rates on loans are 11.78% and 11.94%.
The loans are secured by fixed and floating charges over the fixed assets of the company.

12. SHARE CAPITAL

There was no change in share capital during the year.

	<u>Authorised</u>	<u>Allotted, called up and fully paid</u>
	£	£
Ordinary shares of £1 each	100,000	2
	=====	=====

13 RESERVES

	<u>Investment revaluation reserve</u>	<u>Profit and loss account</u>	<u>Total</u>
	£	£	£
At 1 July 1993	949,334	468,205	1,417,539
Loss for the period	-	(77,715)	(77,715)
Revaluation of properties	900,000	-	900,000
	-----	-----	-----
At 30 September 1994	1,849,334	390,490	2,239,824
	=====	=====	=====

No provision has been made for deferred tax which may arise on the disposal of properties at their revalued amounts. The potential maximum liability would be £545,000.

S J S INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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14 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	15 Months ended 30 September 1994	Year ended 30 June 1993
	£	£
(Loss)/profit for the financial period	(77,715)	99,807
Other recognised gains and losses relating to the period	900,000	343,293
Balance at 1 July 1993	1,417,541	974,441
	-----	-----
Balance at 30 September 1994	2,239,826	1,417,541
	=====	=====

15 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is St James Securities Holdings Limited, a company registered in England.

Group accounts can be obtained from Companies House.

16 CONTINGENT LIABILITY

As 30 September 1994 the company had guaranteed amounts owing by the parent company and fellow subsidiaries amounting to £12,756,172 (30 June 1993 : £9,770,984).