

2648042

ARKAIM DEVELOPMENT CO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 1994

**MEHTA & TENGRA
CHARTERED ACCOUNTANTS
4 WELLINGTON TERRACE
BAYSWATER ROAD
LONDON W2 4LW**



Arkaim Development Co Limited

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Arkaim Development Co Limited

Company Information

Company number

2648642

Directors

**J M Garcia
R M Cole (Resigned on 22.11.94)
L Hargreaves (Appointed on 6.1.95)
C T Richardson (Appointed on 22.11.94)**

Secretary

C T Richardson

Registered office

**4 Wellington Terrace
Bayswater Road
London W2 4LW**

Auditors

**Mehta & Tengra
Chartered Accountants
4 Wellington Terrace
Bayswater Road
London W2 4LW**

Bankers

**Barclays Bank Plc
75 King Street
Hammersmith
London
W6 9HY**

Arkaim Development Co Limited

Directors' Report

The Directors present their annual report together with the audited financial statements for the year ended 30 September 1994.

Principal activities

The principal activity of the company is that of management and ownership of property at 50 Clanricarde Gardens, London W2, as head lessee.

Review of the business

The Company having acquired the headlease of 50 Clanricarde Gardens, continued to act as managers of the property.

Results & dividends

The profit on ordinary activities after taxation was £767 (1993: Loss £300). The profit represents excess of service charge receivables over service charge payments and is not distributed to the shareholders.

Fixed assets

The company acquired the head lease for £935 during the year.

Directors and their interests

The Directors all of whom served throughout the year and their beneficial interest in the ordinary share capital of the Company were as follows:

	<u>Ordinary Shares of £1 each</u>	
	<u>At 30.9.1994</u>	<u>At 30.9.1993</u>
R M Cole (resigned on 22.11.94)	250	-
J M Garcia	250	1

On 17 October 1994 and 9 November 1994, Mr C T Richardson and Miss L Hargreaves purchased 250 shares each from Mr M Doherty and Mr R Cole respectively.

Substantial shareholding

In addition to the shareholders mentioned above the following had interest in the ordinary share capital:

T D V H Armour	250 Ordinary Shares of £ 1 each
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Transactions involving directors

None of the Directors had a material interest at any time during the year in any contracts of significance in relation to the business of the company.

Taxation status

The Company is a close company within the provision of the Income and Corporation Taxes Act 1988.

Arkaim Development Co Limited

Directors' Report

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 year. In preparing those financial statements the directors are required to:

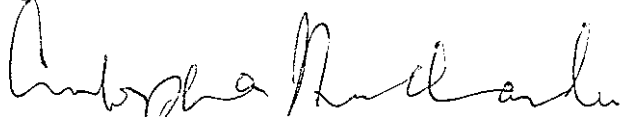
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a 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.

Auditors

Mehta & Tengra, Chartered Accountants have indicated their willingness to continue as auditors to the Company. A resolution for re-appointment will be proposed at the forthcoming Annual General Meeting.

By order of the Board



.....
C T Richardson - Secretary

Date: 27th July 1995

Auditors' Report

To the Members of Arkaim Development Co Limited

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors.

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

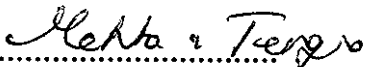
Basis of opinion

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 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 30 September 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



.....
Mehta & Tengra
Chartered Accountants
Registered Auditor

Date: 28th July 1995

Arkaim Development Co Limited

Profit and Loss Account

Year Ended 30 September 1994

		1994	1993
	Notes	£	£
Turnover	1	4,411	-
Cost of sales		-	-
Gross profit		4,411	-
Administrative expenses		3,644	300
Profit/(loss) on ordinary activities before taxation	2	767	(300)
Taxation	3	-	-
Profit/(loss) for the year	8	767	(300)
		=====	=====

Continuing operations

None of the Company's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The company had no recognised gains or losses other than the profit/loss for the above two financial years.

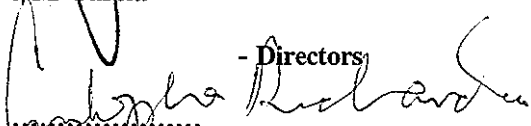
Arkaim Development Co Limited

Balance Sheet At 30 September 1994

	Notes	1994 £	1993 £
Fixed assets	4	926	-
Current assets			
Debtors	5	359	-
Cash at bank & in hand		2,179	3,190
		<u>2,538</u>	<u>3,190</u>
Current liabilities			
Creditors - amounts falling due within one year	6	1,997	3,488
Net current assets/(liabilities)		<u>541</u>	<u>(298)</u>
Net assets		<u>1,467</u>	<u>(298)</u>
		<u>=====</u>	<u>=====</u>
Capital & reserves			
Called up share capital	7	1,000	2
Profit and loss account	8	467	(300)
Shareholders funds	9	<u>1,467</u>	<u>(298)</u>
		<u>=====</u>	<u>=====</u>

Approved by the board of directors
and signed on its behalf by:


.....
J.M Garcia


.....
C T Richardson

Date: 27th July 1995

Arkaim Development Co Limited

Notes to the Financial Statements

Year Ended 30 September 1994

1. Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A Summary of the more important policies which have been applied consistently is set out below:

Basis of accounting

The financial statements have been prepared under the historical cost basis.

Turnover

Turnover represents service charges and ground rents receivable within the company's ordinary activities.

Deferred taxation

Deferred taxation is only provided for if it is considered that a liability will arise in the foreseeable future.

Amortization

The term of the head lease is 120 years from 29 September 1978. The cost of the head lease is therefore amortised over the remaining years of the lease.

Cash flow statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash flow statement for the year ended 30 September 1994.

	1994 £	1993 £
2. Profit/(loss) on ordinary activities before taxation		
The profit is stated after charging:		
Auditors' remuneration - Audit fees	352	200
- Non audit fees	176	100
	=====	=====

Staff costs & numbers

There were no staff employed during the year.

Directors' emoluments

The Director were as not remunerated during the year.

3. Taxation

UK Corporation tax @ 25%	Nil =====	Nil =====
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Arkaim Development Co Limited

Notes to the Financial Statements

Year Ended 30 September 1994

	Headlease £	Total £
4. Fixed Assets		
Cost		
At 01.10.1993	-	-
Additions	935	935
	-----	-----
At 30.09.1994	935	935
	-----	-----
Amortization		
At 01.10.1993	-	-
Provided during the year	9	9
	-----	-----
At 30.09.1994	9	9
	-----	-----
Net book value		
At 30.09.1994	926	926
	=====	=====
At 30.09.1993	-	-
	=====	=====
	1994	1993
	£	£
5. Debtors		
Service charges due	359	-
	-----	-----
	359	-
	=====	=====
6. Creditors - amounts falling due with one year		
Loan for purchase of share capital	-	998
Service charges received in advance	-	1,590
Loans received	1,050	600
Accruals	947	300
	-----	-----
	1,997	3,488
	=====	=====

Arkaim Development Co Limited

Notes to the Financial Statements

Year Ended 30 September 1994

	1994 £	1993 £
7. Called-up share capital		
Authorised:		
1,000 Ordinary shares of £1 each	1,000	1,000
	=====	=====
Allotted, called-up and fully paid:		
1,000 Ordinary shares of £1 each	1,000	2
	=====	=====
8. Profit & loss account		
At 1 October 1993	(300)	-
Profit/(loss) for the year	767	(300)
	-----	-----
At 30 September 1994	467	(300)
	=====	=====

9. Reconciliation of movement in shareholders funds

	Share Capital £	Profit & Loss Account £	Total £
At beginning of the year	2	(300)	(298)
Issue of shares	998	-	998
Profit for the year	-	767	767
	-----	-----	-----
At end of the year	1,000	467	1,467
	=====	=====	=====