

TOPSHOCK LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 1998**

REGISTERED NUMBER: 3198134



TOPSHOCK LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

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TOPSHOCK LIMITED

**COMPANY INFORMATION
AS AT 31 MARCH 1998**

DIRECTORS

P A Howard
Mrs J M Howard

SECRETARY

P A Howard

REGISTERED OFFICE

5 Cornfield Terrace
Eastbourne
East Sussex
BN21 4NN

ACCOUNTANTS

Breeze Ralph & Co
Chartered Accountants
5 Cornfield Terrace
Eastbourne
East Sussex
BN21 4NN

TOPSHOCK LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 March 1998.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were that of property investment.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		1998	1997
P A Howard	Ordinary shares	-	-
Mrs J M Howard	Ordinary shares	500	500

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 as at the end of the financial year 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 maintaining 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.

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

By order of the board:



P A Howard
Secretary

Date: 15 January 1999

TOPSHOCK LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1998**

	Notes	1998 £	1997 £
TURNOVER		17,013	1,983
Administrative expenses		(19,001)	(9,297)
OPERATING LOSS	2	(1,988)	(7,314)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,988)	(7,314)
Tax on loss on ordinary activities		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	12	(1,988)	(7,314)

The notes on pages 6 to 9 form part of these financial statements.

TOPSHOCK LIMITED**BALANCE SHEET
AT 31 MARCH 1998**

	Notes	£	1998 £	£	1997 £
FIXED ASSETS					
Tangible assets	3		227		400
Investments	4		296,449		138,944
			<u>296,676</u>		<u>139,344</u>
CURRENT ASSETS					
Debtors	5	481		446	
Cash at bank and in hand		<u>217</u>		<u>463</u>	
		698		909	
CREDITORS: amounts falling due within one year	6	<u>(28,809)</u>		<u>(147,067)</u>	
NET CURRENT LIABILITIES			<u>(28,111)</u>		<u>(146,158)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			268,565		(6,814)
CREDITORS: amounts falling due after more than one year	7		<u>(250,000)</u>		<u>-</u>
NET ASSETS			<u>18,565</u>		<u>(6,814)</u>

The notes on pages 6 to 9 form part of these financial statements.

TOPSHOCK LIMITED**BALANCE SHEET
AT 31 MARCH 1998**

	Notes	£	1998 £	£	1997 £
CAPITAL AND RESERVES					
Called up share capital	9		500		500
Other reserves	10		27,367		-
Profit and loss account	12		(9,302)		(7,314)
TOTAL SHAREHOLDERS' FUNDS					
	11		18,565		(6,814)

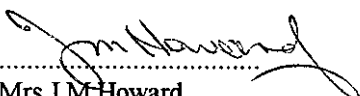
The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 March 1998 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board of directors on
and signed on its behalf by:

15 January 1999



Mrs J M Howard
Director

TOPSHOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

1. STATEMENT OF ACCOUNTING POLICIES

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

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of rents receivable during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Office furniture and fittings	33.3% on cost
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Investment properties

Investment properties are valued at their open market value at the balance sheet date. Any surplus on revaluation is transferred to the investment property revaluation reserve. Any deficit is deducted from the investment property revaluation reserve, except for permanent diminutions in value, which are charged to the profit and loss account.

No amortisation or depreciation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to expiry, in accordance with Statement of Standard Accounting Practice 19: "Accounting for investment properties". This treatment is contrary to the requirements of the Companies Act 1985 to provide for depreciation but is considered necessary to ensure the financial statements give a true and fair view. Depreciation is only one of the factors reflected at the balance sheet date valuation and the amount that might otherwise have been shown cannot be separately identified or quantified.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

2. OPERATING LOSS

Operating loss	1998	1997
	£	£
After charging:		
Depreciation of fixed assets (note 3)	213	200
Exceptional items:		
Formation expenses	-	130
	<hr/>	<hr/>

TOPSHOCK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998****3. TANGIBLE FIXED ASSETS**

	Plant and machinery etc. £
Cost:	
At 1 April 1997	600
Additions	40
At 31 March 1998	640
Depreciation:	
At 1 April 1997	200
Charge for year	213
At 31 March 1998	413
Net book value:	
At 31 March 1998	227
At 31 March 1997	400

4. INVESTMENTS

Cost or valuation:	Beginning of year £	Additions £	Revaluation £	End of year £
Other investments	138,944	130,138	27,367	296,449
Other investments other than loans				
			1998 £	1997 £
Book value of investment properties			269,082	138,944

The investment properties at 2 Rochford Avenue, 8 Park Lane, and 218 Carlingford Drive, Southend, are valued at open market value, by the directors. The remaining two investment properties are valued at cost as they were purchased within seven months of the year end, and that value together with the initial improvement costs, in the directors' opinion, reflects their open market value.

5. DEBTORS

	1998 £	1997 £
Other debtors	481	446

TOPSHOCK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998****6. CREDITORS: amounts falling due within one year**

	1998 £	1997 £
Other creditors (note 13)	28,809	147,067
	<u>28,809</u>	<u>147,067</u>

7. CREDITORS: amounts falling due after more than one year

	1998 £	1997 £
Other creditors (note 13)	250,000	-
	<u>250,000</u>	<u>-</u>

8. DEFERRED TAXATION

	Not provided		Provided	
	1998 £	1997 £	1998 £	1997 £
Deferred tax is calculated at 20% (1997 - %) analysed over the following timing differences:				
On other timing differences	4,037	-	-	-
	<u>4,037</u>	<u>-</u>	<u>-</u>	<u>-</u>

9. SHARE CAPITAL

	1998 £	1997 £
Authorised:		
Equity interests:		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
Equity interests:		
500 Ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>

10. INVESTMENT PROPERTY REVALUATION RESERVE

	1998 £	1997 £
Revaluation during the year	27,367	-
	<u>27,367</u>	<u>-</u>

TOPSHOCK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998****11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1998 £	1997 £
Loss for the financial year	(1,988)	(7,314)
Other recognised gains and losses relating to the year	27,367	-
New share capital subscribed	-	500
Net addition / (reduction) to shareholders' funds	25,379	(6,814)
Opening shareholders' funds	(6,814)	-
Closing shareholders' funds	18,565	(6,814)
Represented by:-		
Equity interests	18,565	(6,814)

12. PROFIT AND LOSS ACCOUNT

	1998 £	1997 £
(Accumulated loss) / retained profit at 1 April 1997	(7,314)	-
Loss for the year	(1,988)	(7,314)
Accumulated loss at 31 March 1998	(9,302)	(7,314)

13. TRANSACTIONS WITH DIRECTORS

	1998 £	1997 £
Amounts owed to directors notes 6 & 7		
P A Howard	274,984	146,058

This loan is interest free.

14. CONTROL

During the year, the company was under the control of Mrs J M Howard the major shareholder and a director.