

**SEAHAM HALL LIMITED**  
**(Registered Number 3391036)**

**FINANCIAL STATEMENTS**

**30 JUNE 1998**



## SEAHAM HALL LIMITED

### DIRECTOR'S REPORT

The Director presents his report and the financial statements for the period ended 30 June 1998.

#### PRINCIPAL ACTIVITIES

The principal activity of the company is that of the development of Seaham Hall and the land adjoining into a hotel and leisure complex together with the establishment of a network of upmarket bistro/brasseries.

#### REVIEW OF THE BUSINESS

On 18 June 1997 the Company was incorporated as Seaham Hall Limited with share capital of £1,000,000 by creation of 1,000,000 ordinary shares of £1 each.

On 1 July 1997 the company purchased Seaham Hall for development purposes.

In April 1998 the company purchased the cottage at Seaham Hall for the future use of the manager of the complex.

In June 1998 additional land adjoining Seaham Hall was purchased.

In the period covered by these accounts the company had not traded.

The directors do not recommend payment of a dividend.

#### DIRECTOR AND HIS INTERESTS

The director during the period and his interests in the share capital of the company at the end of the period are as follows:

	<u>Ordinary shares of £1 each</u>	
	<u>30 June 1998</u>	<u>At date of appointment</u>
T P Maxfield	5,000,000	1,000,000

On incorporation T P Maxfield was appointed as a director holding one million shares in the company.

On 26 June 1997 the company increased the issued and authorised share capital to 3,000,000 ordinary shares of £1 shares.

On 11 March 1998 the company further increased the issued and authorised share capital to 5,000,000 ordinary shares of £1 each.

#### FUTURE DEVELOPMENTS

It is anticipated that the company will commence to trade during the next accounting period.

#### YEAR 2000

The directors have considered the expected and possible impact on the business of the Year 2000 issue and have considered in particular the impact on the amounts and disclosures in the financial statements. We are satisfied, based on our review, that the financial statements properly reflect the impact of the above and anticipate that the total costs to be incurred in addressing the Year 2000 issue will not be significant.

We recognise that significant uncertainty continues to exist regarding the Year 2000 issue and will, therefore, continue to keep this matter under review.

## SEAHAM HALL LIMITED

### DIRECTOR'S REPORT (continued)

#### STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period 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 director is 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. He is 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

PricewaterhouseCoopers have been appointed as auditors.

By Order of the Board



M L Arnott  
Secretary

26 May 1999

## AUDITORS' REPORT TO THE MEMBERS OF SEAHAM HALL LIMITED

We have audited the financial statements on pages 4 to 9.

### Respective responsibilities of the director and auditors

The director is responsible for preparing the Annual Report, including as described on page 2, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### 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 30 June 1998 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

26 May 1999

# SEAHAM HALL LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 1998

	<u>Notes</u>	<u>1998</u> £
<b>TURNOVER</b>		-
Cost of sales		-
		<hr/>
<b>GROSS LOSS</b>		-
Administrative expenses		(126,684)
		<hr/>
<b>OPERATING LOSS</b>		(126,684)
Other income		6,000
Interest receivable	5	205,098
		<hr/>
		84,414
Interest payable and similar charges	6	(369)
		<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	84,045
Taxation	7	(44,331)
		<hr/>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	11	39,714
<b>PROFIT AND LOSS RESERVES BROUGHT FORWARD</b>		-
		<hr/>
<b>PROFIT AND LOSS RESERVES CARRIED FORWARD</b>	11	£39,714
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There were no profits or losses in the period other than those included above.

There is no material difference between the profits as reported above and profits calculated on a historical cost basis.

# SEAHAM HALL LIMITED

## BALANCE SHEET AT 30 JUNE 1998

	Notes	1998 £
<b>FIXED ASSETS</b>		
Tangible assets	8	1,363,407
<b>CURRENT ASSETS</b>		
Debtors	9	181,287
Cash at bank		3,719,264
		<hr/>
		3,900,551
<b>CREDITORS</b> (Amounts falling due within one year)	10	(224,244)
		<hr/>
<b>NET CURRENT ASSETS</b>		3,676,307
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/>
		£5,039,714
		<hr/>
<b>SHARE CAPITAL AND RESERVES</b>		
Called up equity share capital	12	5,000,000
Profit and loss account	11	<hr/> 39,714
<b>EQUITY SHAREHOLDERS' FUNDS</b>	11	£5,039,714
		<hr/>

The financial statements on pages 4 to 9 were approved by the director on 26 May 1999 and are signed by:



**T P Maxfield**

Director

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

# SEAHAM HALL LIMITED

## NOTES TO THE ACCOUNTS – 30 JUNE 1998

### 1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### a) Tangible fixed assets

Tangible fixed assets, where appropriate, are stated at cost less depreciation.

Depreciation is provided on fixtures and fittings at 10% per annum and on refurbishment at 15% per annum to write off cost over their estimated useful lives.

No depreciation is charged in the first period as trading had not commenced.

#### b) Deferred taxation

Provision is made for deferred taxation on the liability method to the extent that a liability is expected to arise in the foreseeable future.

#### c) Cash flow statement

The directors have taken advantage of the exemptions allowed under FRS1 (Revised) not to prepare a cashflow statement as the company falls within the definition of a small company under the Companies Act 1985.

### 2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging the following item:

Auditors' remuneration for audit services	£5,700
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### 3 STAFF COSTS

	£
Wages and salaries	80,361
Social security costs	7,730
	<hr/>
	88,091
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The average number of people employed by the company during the period (including the director) was 3.

### 4 DIRECTOR'S EMOLUMENTS

Aggregate Emoluments	£55,000
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# SEAHAM HALL LIMITED

## NOTES TO THE ACCOUNTS – 30 JUNE 1998 (continued)

### 5 INTEREST RECEIVABLE

	£
Gross interest on bank account	278
Money Market interest	204,820
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	205,098
	<hr/> <hr/>

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

On overclaimed VAT	£369
	<hr/> <hr/>

### 7 TAXATION

The tax charge on the profit on ordinary activities comprises:

UK corporation tax at 21%	£44,331
	<hr/> <hr/>

### 8 TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>Freehold Property</u> £	<u>Leasehold Property</u> £	<u>Plant and machinery</u> £	<u>Total</u> £
As at 18 June 1997	-	-	-	-
Additions in the period	1,127,419	154,204	81,784	1,363,407
Disposals in the period	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1998	1,127,419	154,204	81,784	1,363,407
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>				
As at 18 June 1997	-	-	-	-
Charge for the period	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1998	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net Book Value</u>				
At 30 June 1998	£1,127,419	£154,204	£81,784	£1,363,407
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



# SEAHAM HALL LIMITED

## NOTES TO THE ACCOUNTS – 30 JUNE 1998 (continued)

£

### 9 DEBTORS

Other debtors	89,052
Directors current account	76,106
Prepayments	16,129
	<hr/>
	£181,287
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The Director's current account is interest free. The maximum outstanding during the year is as shown at 30 June 1998.

### 10 CREDITORS (amounts falling due within one year)

£

Trade Creditors	128,479
Other Creditors	21,119
Accruals	4,500
Corporation Tax Payable	44,331
Other taxation and Social Security	25,815
	<hr/>
	£224,244
	<hr/>

### 11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Called up equity <u>share capital</u> £	Profit and <u>loss account</u> £	<u>Total</u> £
Opening shareholders' funds	-	-	-
Profit for the period	-	39,714	39,714
Share capital issued	5,000,000	-	5,000,000
	<hr/>	<hr/>	<hr/>
Closing shareholders' funds	£5,000,000	£39,714	£5,039,714
	<hr/>	<hr/>	<hr/>

### 12 CALLED UP SHARE CAPITAL

#### Authorised share capital

5,000,000 ordinary shares of £1 each £5,000,000

#### Issued, allotted and fully paid

5,000,000 ordinary shares of £1 each £5,000,000

The shares were issued at par for cash during the period.

## **SEAHAM HALL LIMITED**

### **NOTES TO THE ACCOUNTS - 30 JUNE 1998 (continued)**

#### **13 RELATED PARTY TRANSACTIONS**

During the year Seaham Hall Limited purchased kitchen equipment from Seaham Pavillian Limited for £1,000. Seaham Pavillian Limited is wholly owned by TP Maxfield. The transaction was carried out on an arms length basis.

There were no other related party transactions.

#### **14 CAPITAL COMMITMENTS**

The company had no capital commitments or contingent liabilities as at 30 June 1998.

#### **15 ULTIMATE CONTROLLING PARTY**

The ultimate controlling party of the company is T P Maxfield Esq.