

DIRECTORS' REPORT AND ACCOUNTS

**WHITE ROSE FINANCE
COMPANY LIMITED**

15 DECEMBER 1994

COMPANY REGISTRATION

England 558783



**DIRECTORS' REPORT AND AUDITED STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 15 DECEMBER 1994**

REGISTERED OFFICE

Third Floor
Pavilion House
Scarborough
North Yorkshire
YO11 2JR

DIRECTORS

J Dixon
J Guthrie

SECRETARY

J M Johnson

REGISTERED AUDITOR

Moore Stephens
Chartered Accountants
12 Alma Square
Scarborough
North Yorkshire
YO11 1JU

BANKERS

The Royal Bank of Scotland plc
London City Office
67 Lombard Street
London
EC3P 3DL

COMPANY REGISTRATION

England 558783

DIRECTORS' REPORT FOR THE YEAR ENDED 15 DECEMBER 1994

The directors present their Annual Report together with the Company's Audited Statement of Accounts for the year ended 15 December 1994.

PRINCIPAL ACTIVITIES

The principal activities of the company are those of a finance company and the collection of income from investments.

DIRECTORS' REVIEW

The state of the company's affairs is satisfactory. The results for the year under review are dealt with in the attached statement of accounts which reflect a profit for the year of £289,899 (1993 - £27,387) before appropriations. A dividend of £5000 is proposed leaving £284,899 to be transferred to reserves.

DIRECTORS' AND THEIR SHARE INTERESTS

	<u>Shares of £1 each</u>	
	<u>15.12.94</u>	<u>15.12.93</u>
J Dixon	150	150
J Guthrie (non - beneficial)	600	600

The above includes 150 shares of £1 each held by J Dixon and J Guthrie as trustees.

The directors served throughout the year.

Mr S A Watson, a partner in Moore Stephens Chartered Accountants who act as auditors to the company, is a trustee of a trust holding 300 shares in the company.

DIVIDEND

The directors propose a dividend of £8.33 per share (1993 - £8.33) to shareholders on the register on 15 December 1994.

ELECTIVE RESOLUTIONS

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and this right may be exercised by notice in writing to the company's registered office within 28 days from the date of receipt of the accounts.

By Order of the Board
J DIXON
 Chairman



18 July 1995

Registered Office

Third Floor
 Pavilion House
 Scarborough
 North Yorkshire
 YO11 2JR

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 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' REPORT TO THE SHAREHOLDERS OF
WHITE ROSE FINANCE COMPANY LIMITED**

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention as modified by the revaluation of investment properties 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 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 15 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



12-13 Alma Square
Scarborough

MOORE STEPHENS

18 July 1995

Registered Auditor
Chartered Accountants

**PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 15 DECEMBER 1994**

	Notes	£	£	1993	£
TURNOVER - continuing operations			49,387		73,871
Cost of Sales			(1,878)		(8,870)
GROSS PROFIT			<u>47,509</u>		<u>65,001</u>
Administrative Expenses		(421)		(1,512)	
Auditors' Remuneration		(881)		(717)	
Directors' fees and national insurance	2	<u>(3,785)</u>		<u>(3,823)</u>	
			(5,087)		(6,052)
OPERATING PROFIT - continuing operations			<u>42,422</u>		<u>58,949</u>
Profit on disposal of investment			335,013		0
Interest Receivable	3		13,947		6,352
Interest Payable	4		(13,669)		(29,175)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>377,713</u>		<u>36,126</u>
Taxation on Profit on Ordinary Activities	5		(87,814)		(8,739)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13		<u>289,899</u>		<u>27,387</u>
Dividend	7		(5,000)		(5,000)
RETAINED PROFIT FOR THE YEAR			<u><u>284,899</u></u>		<u><u>22,387</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the period reported in the profit and loss account.

BALANCE SHEET AS AT 15 DECEMBER 1994

	Notes	£	£	1993	£
FIXED ASSETS					
Investments	8		157,607		701,811
CURRENT ASSETS					
Debtors	9	1,627		4,430	
Cash at Bank		<u>702,490</u>		<u>85,096</u>	
		704,117		89,526	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	10	<u>(116,059)</u>		<u>(130,571)</u>	
NET CURRENT ASSETS/ (LIABILITIES)					
			588,058		(41,045)
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>745,665</u>		<u>660,766</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
	11		0		(200,000)
			<u>745,665</u>		<u>460,766</u>
CAPITAL AND RESERVES					
Called up Share Capital	12		600		600
Investment Realisation reserve	13		0		388,168
Profit & Loss Account	13		745,065		71,998
EQUITY SHAREHOLDERS' FUNDS					
			<u>745,665</u>		<u>460,766</u>

J Dixon

J Guthrie

DIRECTORS

APPROVED BY THE BOARD

18 July 1995

NOTES ON THE ACCOUNTS - 15 DECEMBER 1994

1 ACCOUNTING POLICIES**Introduction**

The accounts have been prepared using the historic cost accounting convention, as modified by the revaluation of investment properties and in accordance with applicable accounting standards.

Investment Properties

In accordance with SSAP 19 the Directors have included the company's investment properties in the Balance Sheet at cost which approximates the Directors' estimate of their open market value.

In common with many other investment companies and in accordance with SSAP 19, no depreciation has been provided on the company's freehold properties. This departure from statutory accounting principles is enabled under s226(5) of the Companies Act 1985 for the overriding purpose of presenting a true and fair view.

Turnover

Turnover comprises gross rents and service charges receivable.

Deferred Taxation

It is the director's policy to provide for deferred taxation only to the extent that a liability is anticipated to arise in the foreseeable future.

2 EMPLOYEES

The only employees during the year were the directors. The costs incurred in respect of these employees were:-

	<u>1994</u>	<u>1993</u>
	£	£
Directors' remuneration	3,683	3,683
National Insurance	102	140
	<u>3,785</u>	<u>3,823</u>

NOTES ON THE ACCOUNTS - 15 DECEMBER 1994 (CONTINUED)

3 INTEREST RECEIVABLE

	1994	1993
	£	£
Bank Interest	13,889	6,126
Other Interest Receivable	58	226
	<u>13,947</u>	<u>6,352</u>

4 INTEREST PAYABLE

On loans repayable within five years	13,665	29,118
On Bank Overdraft	4	57
	<u>13,669</u>	<u>29,175</u>

5 TAXATION

Corporation Tax payable at 27.87% (1993 - 25%)	87,814	8,739
	<u>87,814</u>	<u>8,739</u>

6 DEFERRED TAXATION

The full potential liability / (asset) for deferred taxation not provided for in these accounts, assuming a rate of 25% (1993 - 25%) is as follows :

	1994	1993
	£	£
Short term timing differences	<u>86</u>	<u>(320)</u>

7 DIVIDENDS

Proposed - £8.33 per share (1993 - £8.33)	<u>5,000</u>	<u>5,000</u>
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NOTES ON THE ACCOUNTS - 15 DECEMBER 1994 (CONTINUED)

8 FIXED ASSET INVESTMENTS

	Freehold Property £	Quoted Shares £	Total £
Cost			
As at 15 December 1993	701,811	0	701,811
Additions at Cost	0	157,607	157,607
Disposals at Cost	(701,811)	0	(701,811)
As at 15 December 1994	<u>0</u>	<u>157,607</u>	<u>157,607</u>
Open Market Value			
As at 15 December 1993	<u>701,811</u>	<u>0</u>	<u>701,811</u>
As at 15 December 1994	<u>0</u>	<u>149,500</u>	<u>149,500</u>

9 DEBTORS

	1994 £	1993 £
Other Debtors	33	0
ACT recoverable	1,250	1,452
Prepayments and Accrued Income	344	2,978
	<u>1,627</u>	<u>4,430</u>

ACT is recoverable after more than one year.

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1994 £	1993 £
Bank Loan	0	100,000
Bank Overdraft	0	16
Corporation Tax	86,362	7,227
Taxation & Social Security	1,383	1,591
Proposed dividend	5,000	5,000
Accruals and Deferred Income	23,314	16,737
	<u>116,059</u>	<u>130,571</u>

NOTES ON THE ACCOUNTS - 15 DECEMBER 1994 (CONTINUED)

11 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	1994	1993
	£	£
Bank Loan	<u>0</u>	<u>200,000</u>

12 SHARE CAPITAL

Authorised 20000 Shares of £1 each	<u>20,000</u>	<u>20,000</u>
Issued and fully paid 600 Shares of £1 each	<u>600</u>	<u>600</u>

13 RESERVES

Investment Realisation Reserve		
As at 15 December 1993	388,168	388,168
Transfer to Profit & Loss Account	(388,168)	0
As at 15 December 1994	<u>0</u>	<u>388,168</u>
Profit and Loss Account		
As at 15 December 1993	71,998	49,611
Retained Profit for the Year	284,899	22,387
Transfer from Investment Realisation Reserve	388,168	0
As at 15 December 1994	<u>745,065</u>	<u>71,998</u>

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	1994	1993
	£	£
Profit for the financial period	289,899	27,387
Dividend	<u>(5,000)</u>	<u>(5,000)</u>
	284,899	22,387
Opening Shareholders funds	460,766	438,379
Closing Shareholders funds	<u>745,665</u>	<u>460,766</u>