

# **Mohican Nominees Limited**

## **Report and Accounts**

13 DECEMBER 1998



# Mohican Nominees Limited

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Registered no. 2522241

## **DIRECTORS**

G P C Mackay

F A Mathew

D Ward

## **SECRETARY**

G P C Mackay

## **AUDITORS**

Ernst & Young

400 Capability Green

Luton

Beds

LU1 3LU

## **BANKERS**

Norwich Union

P O Box 21

Surrey Street

Norwich

NR1 3NJ

## **SOLICITORS**

Beaumont and Son

Lloyds Chambers

1 Portsoken Street

London

E1 8AW

## **REGISTERED OFFICE**

400 Capability Green

Luton

Beds

LU1 3LU

# Mohican Nominees Limited

## DIRECTORS' REPORT

The directors present their report and accounts for the year ended 13 December 1998.

### PRINCIPAL ACTIVITY

The company's principal activity is the holding of investment property.

### DIRECTORS AND THEIR INTERESTS

The directors at 13 December 1998 and their interests in the share capital of the company were as follows:

	<i>At 13 December 1998</i>	<i>At 13 December 1997</i>
	<i>Ordinary shares</i>	<i>Ordinary shares</i>
G P C Mackay	1	1
D Ward	1	1
F A Mathew	—	—

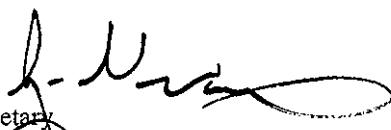
### AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

### SPECIAL PROVISIONS RELATING TO SMALL COMPANIES

This 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

  
Secretary

19 APR 1999

## Mohican Nominees Limited

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts 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 accounts 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.

**REPORT OF THE AUDITORS**  
to the members of Mohican Nominees Limited

We have audited the accounts on pages 6 to 10, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention as modified by the revaluation of investment properties and on the basis of the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

*Going concern*

In forming our opinion we have considered the adequacy of the disclosures made in note 1 to the accounts concerning the uncertainty over the continuing financial support of the company's bankers. In view of the significance of this uncertainty we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 13 December 1998 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Registered Auditor  
Luton

19 APR 1999

# Mohican Nominees Limited

## PROFIT AND LOSS ACCOUNT for the year ended 13 December 1998

	<i>Notes</i>	<i>1998</i> £	<i>1997</i> £
<b>TURNOVER</b>	2	725,000	725,000
Operating costs	3	13,250	16,546
<b>OPERATING PROFIT</b>		<u>711,750</u>	<u>708,454</u>
Bank interest receivable		6,713	7,015
Interest payable and similar charges	5	(759,000)	(759,000)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(40,537)</u>	<u>(43,531)</u>
Tax on loss on ordinary activities		-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>	11	<u>(40,537)</u>	<u>(43,531)</u>


There were no recognised gains or losses other than the loss attributable to shareholders of the company.

# Mohican Nominees Limited

## BALANCE SHEET at 13 December 1998

	Notes	1998 £	1997 £
<b>FIXED ASSETS</b>			
Tangible assets	6	6,400,000	6,400,000
<b>CURRENT ASSETS</b>			
Debtors	7	248,702	251,467
Cash at bank and in hand		6,909	21,577
		255,611	273,044
<b>CREDITORS: amounts falling due within one year</b>	8	514,418	491,314
<b>NET CURRENT LIABILITIES</b>		(258,807)	(218,270)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,141,193	6,181,730
<b>CREDITORS: amounts falling due after more than one year</b>	9	5,500,000	5,500,000
		641,193	681,730
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	2	2
Revaluation reserve	11	1,248,864	1,248,864
Profit and loss account	11	(607,673)	(567,136)
<b>Equity shareholders' funds</b>		641,193	681,730

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

  
Director

19 APR 1999

# Mohican Nominees Limited

## NOTES TO THE ACCOUNTS

at 13 December 1998

### 1. ACCOUNTING POLICIES

#### *Fundamental accounting concept note*

The company is dependent on continuing finance being made available to the company. Continuing finance is required both to enable the company to meet its liabilities as they fall due and to continue operating without immediate realisation of all its assets.

The directors believe that continuing finance will be available and that it is therefore appropriate to prepare the accounts on a going concern basis. However, should continuing financing not be available, the going concern basis would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount, to provide for any further liabilities which might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

#### *Accounting convention*

The accounts are prepared under the historical cost convention modified to include the revaluation of investment properties and in accordance with applicable accounting standards.

#### *Investment properties*

Investment properties are stated at their open market value. Professional valuations of properties will take place periodically and during the period between professional valuations the properties will be valued by the directors.

No depreciation is provided in respect of leasehold investment properties.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that this policy of not providing depreciation or amortisation is necessary in order for the accounts to give a true and fair view, since the current value of investment properties and changes in that current value are of prime importance rather than a calculation of systematic annual depreciation. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

### 2. TURNOVER

Turnover comprises rentals receivable on properties, all of which are continuing and all arises in the United Kingdom.

### 3. OPERATING COSTS

	1998 £	1997 £
Auditors' remuneration	2,750	2,500
Other operating costs	10,500	14,046
	<u>13,250</u>	<u>16,546</u>

### 4. DIRECTORS' REMUNERATION

The directors received no remuneration from the company during the year.



# Mohican Nominees Limited

## NOTES TO THE ACCOUNTS at 13 December 1998

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	1997 £
Bank loans and overdrafts	759,000	759,000

### 6. TANGIBLE FIXED ASSETS

The net book value of land and buildings comprises:

	1998 £	1997 £
Investment properties:		
Long leasehold	6,400,000	6,400,000

Investment properties were valued on an open market value for existing use basis on 7 September 1990 by Henry Davis & Company valuers. In the opinion of the directors, this is a fair value at 13 December 1998. The historical cost of the investment properties at 13 December 1998 was £5,151,136.

### 7. DEBTORS

	1998 £	1997 £
Trade debtors	212,969	212,969
Other debtors	35,733	38,498
	248,702	251,467

### 8. CREDITORS: amounts falling due within one year

	1998 £	1997 £
Trade creditors	5,170	5,229
Other taxes and social security costs	157,375	157,532
Other creditors	351,873	328,553
	514,418	491,314

### 9. LOANS

	1998 £	1997 £
Bank loan at 13.8% per annum, wholly repayable on 23 October 2000	5,500,000	5,500,000

The bank loan is secured by a charge on the company's leasehold property.

# Mohican Nominees Limited

## NOTES TO THE ACCOUNTS at 13 December 1998

### 10. SHARE CAPITAL

	1998	Authorised 1997	called up and fully paid 1998	Allotted, 1997
	£	£	£	£
Ordinary shares of £1 each	1,000	1,000	2	2

### 11. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital	Profit and loss account	Revaluation reserve	Total shareholders' funds
	£	£	£	£
At 14 December 1996	2	(523,605)	1,248,864	725,261
Loss for the year	—	(43,531)	—	(43,531)
At 14 December 1997	2	(567,136)	1,248,864	681,730
Loss for the year	—	(40,537)	—	(40,537)
At 13 December 1998	2	(607,673)	1,248,864	641,193

### 12. TRANSACTIONS WITH DIRECTORS

'Other creditors' (note 8) includes £54,614 due to G P C Mackay relating to company expenses paid by the director which will be repaid in the future.

### 13. RELATED PARTIES

The following balances were due from/(to) related parties in respect of expenses paid on behalf of the other party:

	1998 £	1997 £
Wortheary Limited	35,233	35,233
PXS Limited	(620)	—

G P C Mackay, who is the controlling party of Mohican Nominees Limited, is a director and shareholder of Wortheary Limited and PXS Limited.