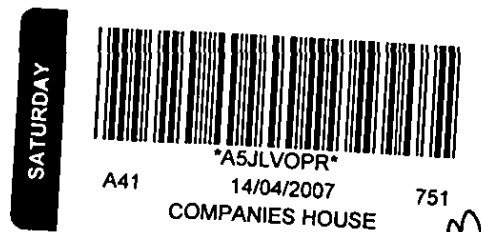




Abbreviated Accounts for the Year Ended 30 June 2006

for

South Wharf Investments (Portslade) Ltd



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South Wharf Investments (Portslade) Ltd

Contents of the Abbreviated Accounts  
for the Year Ended 30 June 2006

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South Wharf Investments (Portslade) Ltd

Company Information  
for the Year Ended 30 June 2006

**DIRECTORS:**

H M Withers FCA CTA (F)  
Mrs J G P Penn

**SECRETARY:**

H M Withers FCA CTA (F)

**REGISTERED OFFICE**

61 Innovation Centre  
Highfield Drive  
Churchfields Industrial Estate  
Hastings  
East Sussex  
TN38 9UH

**REGISTERED NUMBER:**

27970

**AUDITORS:**

Silk & Co  
Chartered Accountants  
& Registered Auditors  
23 Havelock Road  
Hastings  
East Sussex  
TN34 1BP

South Wharf Investments (Portslade) Ltd

Report of the Directors  
for the Year Ended 30 June 2006

The directors present their report with the accounts of the company for the year ended 30 June 2006

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of management of its freehold commercial property at Portslade East Sussex

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed accounts

The company's balance sheet as detailed on page 8 shows a satisfactory position, with shareholders' funds amounting to £2,879 135

The company has continued to reduce its borrowings and consequently its interest charges. A further rent review is due in the current year.

The directors are mindful that it would be prudent after many years of borrowing to remove this as expeditiously as possible, and they feel payment of deferred dividends are not warranted at this stage.

**DIVIDENDS**

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends

	2006 £	2005 £
Dividends paid on preference and preferred ordinary shares	4,550	4,550

**FIXED ASSETS**

Details of movements in fixed assets are set out in note 8 to the financial statements.

The company's interest in freehold property has been valued at £3,065 335 by the company's insurers on the basis of their previous year's valuation index linked to current year values and taking into account the alterations made to the property by the tenant. The directors have accepted this valuation.

## South Wharf Investments (Portslade) Ltd

### Report of the Directors for the Year Ended 30 June 2006

#### **DIRECTORS**

The directors during the year under review were

H M Withers FCA CTA (F)  
Mrs J G P Penn

The beneficial interests of the directors holding office on 30 June 2006 in the issued share capital of the company were as follows

	30 6 06	1 7 05
<b>Deferred Ordinary £1 shares</b>		

H M Withers FCA CTA (F)	1,001	1,001
Mrs J G P Penn	749	749

#### **6 5% Preference £25 shares**

H M Withers FCA CTA (F)	-	-
Mrs J G P Penn	61	61

#### **6.5% Preferred Ordinary £25 shares**

H M Withers FCA CTA (F)	-	-
Mrs J G P Penn	40	40

With regard to the 1,001 Deferred Ordinary £1 shares held by Mr H M Withers FCA CTA (F) as at 30 June 2006 and 1 July 2005 1,000 of these shares were held as a joint settlement trustee

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the course of the year ended 30 June 2006 the company made a charitable donation of £500 to The Elizabeth Baxter Hostel a registered charity

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to 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 these 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 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

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

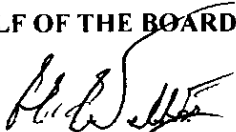
South Wharf Investments (Portslade) Ltd

Report of the Directors  
for the Year Ended 30 June 2006

**AUDITORS**

The auditors, Silk & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

**ON BEHALF OF THE BOARD:**



H M Withers FCA CTA(F) - Secretary

Date 27 November 2006

Report of the Independent Auditors to  
South Wharf Investments (Portslade) Ltd  
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages six to seventeen together with the financial statements of South Wharf Investments (Portslade) Ltd for the year ended 30 June 2006 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

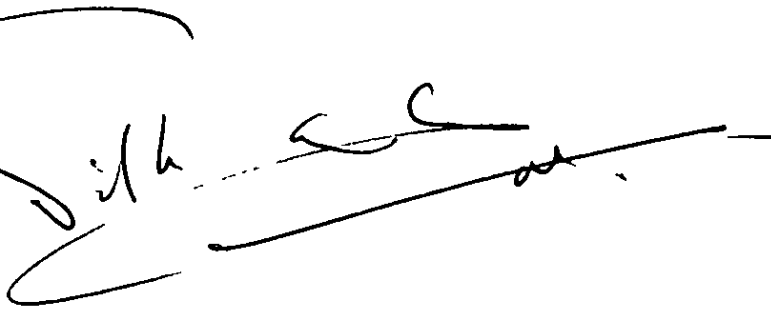
**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 and the abbreviated accounts have been properly prepared in accordance with that provision.

Silk & Co  
Chartered Accountants  
& Registered Auditors  
23 Havelock Road  
Hastings  
East Sussex  
TN34 1BP

A large, stylized handwritten signature in black ink, likely belonging to a representative of Silk & Co, written over a horizontal line.

Date 20 November 2006

South Wharf Investments (Portslade) Ltd

Abbreviated Profit and Loss Account  
for the Year Ended 30 June 2006

	Notes	30.6.06 £	30.6.05 £
<b>GROSS PROFIT</b>		<b>83,220</b>	<b>83,220</b>
Administrative expenses		<u>33,346</u>	<u>37,370</u>
<b>OPERATING PROFIT</b>	3	<b>49,874</b>	<b>45,850</b>
Interest receivable and similar income		<u>294</u>	<u>513</u>
		<b>50,168</b>	<b>46,363</b>
Interest payable and similar charges	4	<u>9,591</u>	<u>11,529</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>40,577</b>	<b>34,834</b>
Tax on profit on ordinary activities	5	<u>7,542</u>	<u>6,029</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b><u>33,035</u></b>	<b><u>28,805</u></b>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year



South Wharf Investments (Portslade) Ltd

Statement of Total Recognised Gains and Losses  
for the Year Ended 30 June 2006

	30 6 06	30 6 05
	£	£
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>33,035</b>	<b>28 805</b>
Unrealised profit on revaluation	<u>143,745</u>	<u>198 766</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES</b>		
<b>RELATING TO THE YEAR</b>	<u><u>176,780</u></u>	<u><u>227 571</u></u>

The notes form part of these abbreviated accounts

**South Wharf Investments (Portslade) Ltd**

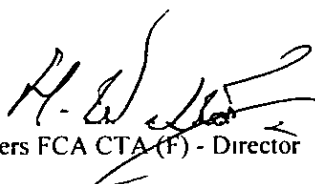
**Abbreviated Balance Sheet**

**30 June 2006**

	Notes	30 6.06 £	30 6 05 £
<b>FIXED ASSETS</b>			
Tangible assets	7	3,066,029	2,923 800
<b>CURRENT ASSETS</b>			
Debtors	8	7,621	6 277
Cash at bank		<u>25,858</u>	<u>24 971</u>
		33,479	31 248
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>67,537</u>	<u>70,964</u>
<b>NET CURRENT LIABILITIES</b>		<u>(34,058)</u>	<u>(39 716)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,031,971	2,884 084
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	(152,839)	(177 167)
<b>PROVISIONS FOR LIABILITIES</b>	13	-	(15)
<b>NET ASSETS</b>		<u>2,879,132</u>	<u>2 706 902</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	75,000	75 000
Revaluation reserve	15	2,684,086	2,540,341
Profit and loss account	15	<u>120,046</u>	<u>91 561</u>
<b>SHAREHOLDERS' FUNDS</b>	17	<u>2,879,132</u>	<u>2 706 902</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 21<sup>st</sup> November 2006 and were signed on its behalf by



H M Withers FCA CTA (F) - Director

The notes form part of these abbreviated accounts

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year

**Tangible fixed assets**

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

Freehold investment property	- Under SSAP 19 no depreciation required
Improvements to leasehold premises	- 20% on cost
Office equipment	- 15% on cost

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit or its reversal on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with FRS 15 and SSAP 19 which, unlike Schedule 4 to the Companies Act 1985, do not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**2 STAFF COSTS**

	30 6 06	30 6 05
	£	£
Wages and salaries	<u>4,408</u>	<u>4 269</u>

The average monthly number of employees during the year was as follows

	30 6 06	30 6 05
Number of management staff	<u>3</u>	<u>3</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging

	30 6 06	30 6 05
	£	£
Depreciation - owned assets	1,716	1 686
Auditors' remuneration	<u>2,235</u>	<u>2 233</u>
Directors' emoluments	<u>4,408</u>	<u>4 269</u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 June 2006

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30.6.06	30 6 05
	£	£
Bank loan interest	<u>9,591</u>	<u>11,529</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30.6.06	30 6 05
	£	£
Current tax		
UK corporation tax	7,557	6 014
Deferred tax	<u>(15)</u>	<u>15</u>
Tax on profit on ordinary activities	<u>7,542</u>	<u>6,029</u>

6 DIVIDENDS

	30 6.06	30 6 05
	£	£
Non-equity shares 6 5% Preference shares of £25 each - Final	<u>4,550</u>	<u>4 550</u>

Dividends paid on preference and preferred ordinary shares

7 TANGIBLE FIXED ASSETS

	Freehold investment property £	Improvements to leasehold premises £	Office equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 July 2005	2,924,398	7,414	1,361	2,933,173
Additions	-	-	200	200
Freehold property revaluation	<u>143,745</u>	<u>-</u>	<u>-</u>	<u>143,745</u>
At 30 June 2006	<u>3,068,143</u>	<u>7,414</u>	<u>1,561</u>	<u>3,077,118</u>
<b>DEPRECIATION</b>				
At 1 July 2005	2,808	5,806	759	9,373
Charge for year	<u>-</u>	<u>1,482</u>	<u>234</u>	<u>1,716</u>
At 30 June 2006	<u>2,808</u>	<u>7,288</u>	<u>993</u>	<u>11,089</u>
<b>NET BOOK VALUE</b>				
At 30 June 2006	<u>3,065,335</u>	<u>126</u>	<u>568</u>	<u>3,066,029</u>
At 30 June 2005	<u>2 921 590</u>	<u>1 608</u>	<u>602</u>	<u>2,923 800</u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 June 2006

**7 TANGIBLE FIXED ASSETS - continued**

In relation to the freehold investment property the 2006 valuation was made by the company's insurers Ecclesiastical Insurance Group, on the basis of their previous year's valuation index linked to current day values and taking into account the alterations made to the property by the tenant

At 30 June 2006, the valuation of £3,065,335 for the freehold investment property represents the company's 91% interest in the freehold property situated at Portslade, East Sussex. The other 9% of the property is owned equally by The Elizabeth Baxter Hostel and The Silver Lady Fund

**8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.06	30.6.05
	£	£
Other debtors	4,926	3,521
Prepayments and accrued income	<u>2,695</u>	<u>2,756</u>
	<u>7,621</u>	<u>6,277</u>

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.06	30.6.05
	£	£
Bank loans and overdrafts (see note 11)	28,392	30,492
Corporation tax	7,558	6,013
Other creditors	2,021	3,396
Amount owed to related company The Silver Lady Fund	1,035	1,035
Amount owed to related company The Elizabeth Baxter Hostel	1,035	1,035
Accruals and deferred income	<u>27,496</u>	<u>28,993</u>
	<u>67,537</u>	<u>70,964</u>

**10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.6.06	30.6.05
	£	£
Bank loans (see note 11)	91,589	115,917
Amount owed to related company - due after 1 year The Silver Lady Fund	<u>61,250</u>	<u>61,250</u>
	<u>152,839</u>	<u>177,167</u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 June 2006

**11 LOANS**

An analysis of the maturity of loans is given below

	30.6.06 £	30.6.05 £
Amounts falling due within one year or on demand		
Secured loan - less than 1 year	28,392	28,392
Office improvement business loan	-	2,100
	<u>28,392</u>	<u>30,492</u>
Amounts falling due between one and two years		
Secured loan 1-2 years	<u>56,784</u>	<u>28,392</u>
Amounts falling due between two and five years		
Secured loan 2-5 years	<u>34,805</u>	<u>85,176</u>
Amounts falling due in more than five years		
Repayable by instalments		
Secured loan - > 5 years	<u>-</u>	<u>2,349</u>

**12 SECURED DEBTS**

A bank loan totalling £119,981 (2005 £146,409 - two loans) repayable over five years is secured by way of a mortgage and a debenture over the company's assets

**13 PROVISIONS FOR LIABILITIES**

	30.6.06 £	30.6.05 £
Deferred tax	<u>-</u>	<u>15</u>
		<b>Deferred tax</b>
		£
Balance at 1 July 2005		15
Deferred tax		<u>(15)</u>
Balance at 30 June 2006		<u>-</u>

**South Wharf Investments (Portslade) Ltd**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 30 June 2006**

**14 CALLED UP SHARE CAPITAL**

Authorised, allotted issued and fully paid Number	Class	Nominal value	30.6 06 £	30 6 05 £
5 000	Deferred Ordinary	£1	5,000	5,000
1 000	6 5% Preference	£25	25,000	25,000
1 800	6 5% Preferred Ordinary	£25	45,000	45,000
			<u>75,000</u>	<u>75 000</u>

**15 RESERVES**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 July 2005	91,561	2,540,341	2,631,902
Profit for the year	33,035		33,035
Dividends	(4,550)		(4,550)
Revaluation of fixed assets	-	143,745	143,745
At 30 June 2006	<u>120,046</u>	<u>2,684,086</u>	<u>2,804,132</u>

Included within the revaluation reserve at both 30 June 2006 and 2005 is an amount of £181,234, which represents pre 1980 reserves

Notes to the Abbreviated Accounts - continued  
for the Year Ended 30 June 2006

**16 RELATED PARTY DISCLOSURES**

The rent, rates and office services paid by the company £18,343 (gross) are provided in a building in which the director, H M Withers FCA CTA (F) MCIM has an interest. A contribution of £900 was paid to the company by I Withers the son of the director, being in respect of office space and services in this building. The rent and rates figure of £17,443 (net) disclosed in the accounts being the £18,343 (gross) paid less £900 contribution received. Since the year end, the company has moved offices as disclosed under company information on page 1 and the above transactions will not apply. The major shareholders in the company as at 30 June 2006 were as follows:

Mrs J G P Penn  
61 Preference shares  
40 Preferred Ordinary shares  
749 Deferred Ordinary shares

The 'Silver Lady' Fund Incorporating the All-Night Travelling Cafe (England & Wales)  
388 Preference shares  
692 Preferred Ordinary shares  
10 Deferred Ordinary shares

The Governors of 'The Silver Lady' Fund are H M Withers FCA CTA (F) MCIM, K McPherson FCA and N S G Harper FCA.

The Governors of The Elizabeth Baxter Hostel (England & Wales)  
498 Preference shares  
858 Preferred Ordinary shares  
2666 Deferred Ordinary shares

The Governors of The Elizabeth Baxter Hostel are H M Withers FCA CTA (F) MCIM and I H Withers BSc (Hons) MRICS. Control of the company is effectively vested equally in the eight members of the Elizabeth Baxter Hostel including the two governors.

The principal property managed by South Wharf Investments (Portslade) Ltd is South Wharf Aldrington Basin, Basin Road South, Portslade, Brighton and is owned in the following percentages:  
91% South Wharf Investments (Portslade) Ltd  
4.5% The 'Silver Lady' Fund  
4.5% The Elizabeth Baxter Hostel

**17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30.6.06	30.6.05
	£	£
Profit for the financial year	33,035	28,805
Dividends	(4,550)	(4,550)
	28,485	24,255
Other recognised gains and losses relating to the year (net)	143,745	198,766
Net addition to shareholders' funds	172,230	223,021
Opening shareholders' funds	2,706,902	2,483,881
Closing shareholders' funds	2,879,132	2,706,902
Equity interests	2,809,132	2,636,902
Non-equity interests	70,000	70,000
	2,879,132	2,706,902