

604053

MERITYRE PROPERTIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1999



MERITYRE PROPERTIES LIMITED

COMPANY INFORMATION

Directors:	N C Pope
	J J Pope
	J R W Pope
Secretary:	G D Allen
Company Number	604053
Registered Office:	West Way Walworth Industrial Estate Andover, Hants SP10 5JG
Accountant and Tax consultant	R. J. Roper & Co 8 Dark Lane Tilehurst Reading RG31 6RA

MERITYRE PROPERTIES LIMITED**BALANCE SHEET****AS AT 31ST MARCH 1999**

	<u>Notes</u>	<u>31.3.99</u>	<u>31.3.98</u>
<u>FIXED ASSETS</u>			
Tangible fixed assets	8	538,115	551,545
<u>CURRENT ASSETS</u>			
Debtors	9	1851	3,398
Cash at bank & in hand		122,111	190,610
		123,962	194,008
<u>CREDITORS:</u> Amounts falling due within one year	10	63,896	95,002
Net current assets		60,066	99,006
TOTAL ASSETS LESS CURRENT LIABILITIES		598,181	650,551
<u>CREDITORS:</u> Amounts falling due after one year	11	223,109	288,332
NET ASSETS		£375,072	£362,219
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	12	100	100
Profit and Loss Account		374,972	362,119
EQUITY SHAREHOLDERS FUNDS	14	£375,072	£362,219


The company is entitled to the exemption from audit conferred by section 249A(1) of the Companies Act 1985. No notice has been deposited by members under section 249B(2) requiring an audit.

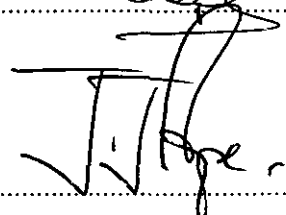
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period and which comply with the provisions of the Companies Act 1985. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

In preparing these unaudited financial statements advantage has been taken of the special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that in the directors' opinion the company is entitled to the benefit of those exemptions as a small company under the provisions of Sections 246 and 247 of the Act.

The Notes on pages 6 to 10 form an integral part of these financial statements

Approved by the Board of Directors on 16 July 1999, and signed on its behalf by:


..... N C Pope


..... J J Pope

Directors

MERITYRE PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 1999**

1. **ACCOUNTING POLICIES** - the financial statements have been prepared in accordance with the Companies Act 1985 as amended, and with the applicable accounting standards.

- a. Basis of accounting. The financial statements are prepared under the historical cost convention.
- b. Turnover from continuing operations comprises sales of property, rents and consultancy fees received.
- c. Tangible Fixed Assets are depreciated on a straight line basis over the following estimated useful lives:-

	<u>Life in years</u>
Buildings, Warehouse and Offices	50

- d. Deferred taxation Provision is made at current rates for taxation deferred by material timing differences to the extent that there is a reasonable probability that the liability will arise in the foreseeable future.

2. **TURNOVER AND PROFIT**

The turnover and profit before taxation are attributable to the one principal activity of the Company and relate wholly to trade in the United Kingdom.

3. **OPERATING PROFIT**

The operating profit is stated after charging:

	<u>31.3.99</u>	<u>31.3.98</u>
Continuing operations	£	£
Depreciation of fixed assets	13,430	13,430
Directors' Remuneration	30,252	13,619
Accountancy Fees	1000	1000
	<u> </u>	<u> </u>

4. **INTEREST PAYABLE**

Bank loan	<u>£25,821</u>	<u>£34,606</u>
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5. **INTEREST RECEIVABLE**

Bank deposit interest	9690	11,679
Interest on Corporation Tax	10	-
Interest on ACT	-	166
	<u>£9,700</u>	<u>£11,845</u>

Continued...

MERITYRE PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 1999 (continued)****6. TAXATION**

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

	<u>31.3.99</u>	<u>31.3.98</u>
Corporation tax on profits at 21% (1998 - 21%)	7308	10,300
Adjustment for previous year	7700	(162)
	<u>[392]</u>	<u>£10,138</u>

There is no need to provide a provision for Deferred Taxation as there is no liability arising from timing differences.

7. DIVIDENDS

	<u>31.3.99</u>	<u>31.3.98</u>
Proposed dividend of £100 per Ordinary share (1998: £100)	<u>£10,000</u>	<u>£10,000</u>

8. FIXED ASSETS

	<u>Long Leasehold Warehouse and Offices</u>	<u>TOTAL</u>
<u>Cost</u>		
As at 1.4.98	671,471	671,471
Additions	-	-
As at 31.3.99	<u>671,471</u>	<u>671,471</u>
<u>Depreciation</u>		
As at 1.4.98	119,926	119,926
Charge for year	13,430	13,430
As at 31.3.99	<u>133,356</u>	<u>133,356</u>
<u>Net Book Values</u>		
As at 31.3.99	<u>£538,115</u>	<u>£538,115</u>
As at 31.3.98	<u>£551,545</u>	<u>£551,545</u>

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MERITYRE PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 1999 (continued)****9. DEBTORS**

	<u>31.3.99</u>	<u>31.3.98</u>
Other debtors	--	2,500
Prepayments	1,851	898
	<u>£1851</u>	<u>£3,398</u>

Other debtors includes ACT of £NIL (1998: £2,500).

10. CREDITORS

Amounts falling due within one year :

	<u>31.3.99</u>	<u>31.3.98</u>
Social Security & other taxes	6,097	589
Accruals	3,791	5,095
Corporation tax	7308	10,300
Directors' loan	2,000	2,426
Dividend	10,000	10,000
Bank loan	34,700	34,700
Rent received in advance	-	31,892
	<u>£63,896</u>	<u>£95,002</u>

11. CREDITORS

Amounts falling due after more than one year :

	<u>31.3.99</u>	<u>31.3.98</u>
Bank loan	<u>£223,109</u>	<u>£288,332</u>

The bank loan is secured by Mortgage over Leasehold property situated on the Walworth Industrial Estate, Andover, and is repayable in monthly instalments over fifteen years commencing 13th August 1990. Interest on £200,000 is fixed at a rate of 9.4625% per annum, the balance at floating rate.

12. CALLED UP SHARE CAPITAL

	<u>31.3.99</u>	<u>31.3.98</u>
Authorised		
100 Ordinary shares of £1	<u>£100</u>	<u>£100</u>
Allotted, issued and fully paid		
100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

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MERITYRE PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 1999 (continued)****13. COMMITMENTS**

The Company has the following annual commitments in respect of leasehold property:

	<u>31.3.99</u>	<u>31.3.98</u>
Expiring 10.11.97	250	250
Subject to review 8.5.2003	<u>38,760</u>	<u>34,000</u>

14. EQUITY SHAREHOLDERS FUNDS

	<u>31.3.99</u>	<u>31.3.98</u>
Opening Shareholders funds	362,219	346,609
Profit for the financial year	12,450	25,610
Dividend	<u>(10,000)</u>	<u>(10,000)</u>
Closing Shareholders funds	<u>£364,669</u>	<u>£362,219</u>