

KINGCROSS LIMITED

COMPANY REGISTRATION NUMBER 01132634

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 1995

Roberts & Co
Chartered Accountants
47 Queen Anne Street
London W1M 9FA



KINGCROSS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 1995

The Directors have pleasure in presenting their Report and the Financial Statements for the year ended 31 August 1995.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of Property Dealers.

DIRECTORS AND THEIR INTERESTS

The Directors who served the company throughout the year together with their interests in the shares of the company at the beginning and end of the year were as follows:

	<u>Ordinary Shares of £1 each</u>	
	<u>At 31.8.95</u>	<u>At 1.9.94</u>
J A Gardner	80	80
J M Gardner	20	20

SMALL COMPANY RULES

Advantage has been taken in the preparation of this report of the special exemptions applicable to small companies.

BY ORDER OF THE BOARD


.....
J M GARDNER
SECRETARY

12.3.97
.....
Date

47 Queen Anne Street
London W1M 9FA

KINGCROSS LIMITED

DIRECTORS' RESPONSIBILITIES AND REPORT OF THE ACCOUNTANTS

STATEMENT OF THE 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 and loss of the company for that year.

In preparing those financial statements, the Directors are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent; and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 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.

ACCOUNTANTS' REPORT TO THE MEMBERS OF KINGCROSS LIMITED

We report on the financial statements for the year ended 31 August 1995 on pages 3 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described above, the company's Directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:-

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1) (a) - (f)


ROBERTS & CO.

Chartered Accountants and Reporting Accountants

Date... 20th March 1997

47 Queen Anne Street
London W1M 9FA

KINGCROSS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 1995

	Note	<u>1995</u> £	<u>1994</u> £
<u>TURNOVER</u>	2	251,354	1,721,000
Cost of Sales		74,866	1,517,817
<u>GROSS PROFIT</u>		<u>176,488</u>	<u>203,183</u>
Net Operating Expenses	3	(139,281)	(180,317)
<u>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>	4	<u>37,207</u>	<u>22,866</u>
Interest Receivable and Similar Income		2,043	-
Interest Payable and Similar Charges		(45)	(281)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		<u>39,205</u>	<u>22,585</u>
<u>TAXATION</u>	6	12,760	205
<u>PROFIT FOR THE FINANCIAL YEAR</u>	7	<u>£26,445</u>	<u>£22,380</u>

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains or losses in the year other than the profit for the year.

KINGCROSS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 1995

	Note	£	1995	£	1994	£
<u>FIXED ASSETS</u>						
Tangible Assets	8		2,866		21,581	
<u>CURRENT ASSETS</u>						
Stock		134,428		-		
Debtors	9	120,256		283,626		
Cash at Bank		1,690		64,597		
			256,374		348,223	
<u>CREDITORS:</u>						
Amounts falling due within one year	10	269,601		406,610		
<u>NET CURRENT LIABILITIES</u>						
			(13,227)		(58,387)	
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>						
			£(10,361)		£(36,806)	
<u>CAPITAL AND RESERVES</u>						
Called up Share Capital	7	100		100		
Profit and Loss Account	7	(10,461)		(36,906)		
			£(10,361)		£(36,806)	

The Directors confirm that the company is entitled for the year ended 31 August 1995 to the exemption from audit of its financial statements conferred by subsection (2) of Section 249A of the Companies Act 1985. The Directors further confirm that no notice has been deposited by members requiring the company to obtain an audit of its financial statements for that period.

The Directors acknowledge their responsibilities for:

- (i) ensuring that the company kept proper accounting records which comply with the requirements of the companies Act 1985, and
- (ii) preparing financial statements 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 its profit for the period then ended in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of the Act relating to financial statements so far as applicable to the company.

In preparing these financial statements we have taken advantage of the special exemptions applicable to small companies conferred by sections 246 and 247 of the Companies Act 1985 on the grounds that the company is entitled to those exemptions as a small company.

Approved by the Board on ...12.3.97.....



J A Gardner - Director



J M Gardner - Director

KINGCROSS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 1995

1. ACCOUNTING POLICIES

a) **Basis of Accounting**

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

b) **Turnover**

Turnover represents the invoiced value of goods and services provided during the year.

c) **Tangible Fixed Assets**

Depreciation is provided to write off each asset over its expected useful life at the following annual rates on the reducing balance basis:

Fixtures and Fittings	15%
Office Equipment	20%
Motor Vehicles	25%

d) **Pension Scheme Arrangements**

The pension scheme of the company is funded by contributions from the company. Such contributions are held in trustee administered funds completely independently of the company's finances. The contributions made by the company are charged against profits on an accruals basis.

2. TURNOVER

Turnover is attributable to the one principal activity of the company and arose 100% within the United Kingdom.

3. NET OPERATING EXPENSES, COMPARATIVE DETAILS

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Turnover	£251,354	£1,721,000
	<u> </u>	<u> </u>
Cost of Sales	£74,866	£1,517,817
	<u> </u>	<u> </u>
Net Operating Expenses:		
Administrative expenses	£139,281	£180,317
	<u> </u>	<u> </u>
Operating Profit	£37,207	£22,866
	<u> </u>	<u> </u>

4. OPERATING PROFIT

The Operating Profit is stated after charging:

Auditors Remuneration	-	2,000
Depreciation of Owned Tangible Fixed Assets	642	6,915
Pension Costs - Money Purchase Scheme	1,200	1,200
Loss on Sale of Motor Vehicle	750	-
	<u> </u>	<u> </u>

KINGCROSS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1995
(CONTINUED)

5. **DIRECTORS' EMOLUMENTS**

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Remuneration	15,000	75,000
Other Emoluments	1,200	1,200
	<u>£16,200</u>	<u>£76,200</u>

6. **TAXATION**

Corporation Tax Payable based on the results for the year at the rate of 25% (1994 - 25%).	<u>£12,760</u>	<u>£205</u>
--	----------------	-------------

7. **SHAREHOLDERS' FUND**

	<u>Called Up Share Capital</u>	<u>Profit & Loss Account</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Balance at 1 September 1994	100	(36,906)	(36,806)
Transfer from Profit and Loss Account	-	26,445	26,445
Balance at 31 August 1995	<u>£100</u>	<u>£(10,461)</u>	<u>£(10,361)</u>

The Authorised Share Capital comprises:

Authorised

100 Ordinary Shares of £1 each	<u>£100</u>	<u>£100</u>
--------------------------------	-------------	-------------

Called Up, Allotted and Fully Paid

100 Ordinary Shares of £1 each	<u>£100</u>	<u>£100</u>
--------------------------------	-------------	-------------

KINGCROSS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 1995

(CONTINUED)

8. TANGIBLE FIXED ASSETS

	<u>Fixtures & Fittings</u>	<u>Office Equipment</u>	<u>Motor Cars</u>	<u>Total</u>
<u>COST</u>				
At 1 September 1994	3,411	9,353	25,840	38,604
Additions	600	77	-	677
Disposals	-	-	(25,000)	(28,000)
At 31 August 1995	4,011	9,430	840	14,281
<u>DEPRECIATION</u>				
At 1 September 1994	2,659	7,423	6,941	17,023
Charge for the Year	203	402	37	642
Eliminated on Disposal	-	-	(6,250)	(6,250)
At 31 August 1995	2,862	7,825	728	11,415
<u>NET BOOK VALUE</u>				
At 31 August 1995	£1,149	£1,605	£112	£2,866
At 31 August 1994	£752	£1,930	£18,899	£21,581

9. DEBTORS

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Directors Loan Account	106,388	58,200
Amounts due from related business entities	-	225,426
Social Security and Other Taxes	5,391	-
ACT Recoverable	8,477	-
	£120,256	£283,626

10. CREDITORS: Amounts falling due within one year

Bank Loan	23,829	-
Pension Fund Loan	12,100	12,100
Social Security and Other Taxes	-	275,400
Corporation Tax	12,760	205
Accruals	4,000	97,066
Amounts due to Related Business Entities	216,912	21,839
	£269,601	£406,610

11. DIRECTORS' INTEREST IN CONTRACTS

During the year under review, the company paid £80,000 by way of management fees to business entities in which the Directors have material interest.

KINGCROSS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1995

(CONTINUED)

12. **TRANSACTIONS WITH RELATED PARTIES**

	<u>1995</u>	<u>1994</u>
	£	£
Powerlane Limited	-	3,197
Linkside Properties Limited	-	222,229
	<u>£ -</u>	<u>£225,426</u>
	<u><u>£ -</u></u>	<u><u>£225,426</u></u>

13. **LOANS TO DIRECTORS**

The amount included in debtors relating to the Directors' loan account is £106,388. The maximum amount outstanding during the year was £106,388.

The loan is unsecured, interest free and repayable on demand, was repaid in full after the year end.

14. **PENSION COMMITMENTS**

The company makes contributions to the Kingcross Limited Pension Fund, a money purchase scheme, the assets of which are held separately from those of the company. The pensions cost charge of £1,200 (1994 £1,200) represents contributions payable to the scheme.

KINGCROSS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 1995

	<u>1995</u>		<u>1994</u>	
<u>INCOME</u>	£	£	£	£
Consultancy Fees		-		3,000
Property Dealing Income		251,354		1,718,000
		<u>251,354</u>		<u>1,721,000</u>
<u>COST OF SALES</u>				
Opening Stock	-		-	
Purchases of Property	209,294		1,517,817	
	<u>209,294</u>		<u>1,517,817</u>	
Less: Closing Stock	134,428		-	
		<u>74,866</u>		<u>1,517,817</u>
<u>GROSS PROFIT</u>		<u>176,488</u>		<u>203,183</u>
<u>ADMINISTRATIVE EXPENSES</u>				
Directors' Remuneration	15,000		75,000	
Directors' Pension Costs	1,200		1,200	
Salary Costs	23,352		61,467	
Staff welfare	3,067		2,441	
Management Fees Payable	80,000		15,000	
Use of Office	2,080		2,080	
Rent Payable	6,000		6,000	
Motor Expenses	2,367		1,511	
Travel and Subsistence	432		376	
Entertaining	-		23	
Telephone	-		191	
Postage and Couriers	-		10	
Stationery and Photocopying	108		55	
Sundry Expenses	587		848	
Pension Loan Charges	42		209	
Pension Loan Interest	550		873	
Bank Charges	288		511	
Equipment Rental	860		1,607	
Legal and Professional Fees	(1,913)		-	
Audit Fee	-		2,000	
Accountancy	3,869		2,000	
Motor Car Depreciation	37		6,300	
Fixtures and Fittings Depreciation	203		133	
Office Equipment Depreciation	402		482	
Loss on Sale of Motor Car	750		-	
		<u>(139,281)</u>		<u>(180,317)</u>
<u>OPERATING PROFIT</u>		<u>37,207</u>		<u>22,866</u>
Interest Receivable		2,043		-
Interest Payable		(45)		(281)
<u>PROFIT ON ORDINARY ACTIVITIES</u>		<u>£39,205</u>		<u>£22,585</u>

KINGCROSS LIMITED
CORPORATION TAX COMPUTATIONS
FOR THE YEAR ENDED 31 AUGUST 1995

Profit per Accounts		39,205
Add:		
Depreciation	642	
Loss on sale of motor vehicle	750	
Accrual disallowed in period:		
Directors remuneration	15,000	
		<hr/> 16,392
		<hr/> 55,597
Less: Capital Allowances (see below)		(4,555)
Total Chargeable to Corporation Tax		<hr/> £51,042
		<hr/>
Corporation Tax thereon @ 25%		<u>£12,760.50</u>

CAPITAL ALLOWANCES

	Pool	Car Over £12,000	Total Allowances
WDV b/f	1,541	22,000	
Sales Proceeds	-	(18,000)	
Balancing allowance	-	(4,000)	4,000
	<hr/> 1,541	<hr/> -	
Additions	677	-	
	<hr/> 2,218	<hr/> -	
WDA @ 25%	(555)	-	
	<hr/> 1,663	<hr/> -	555
WDV c/f			<hr/> £4,555
			<hr/>