

**DEUSI CONSTRUCTION LIMITED**

**FINANCIAL STATEMENTS**

**31st December 1994**

**MACINTYRE HUDSON**

Chartered Accountants & Registered Auditors

Euro House

1394 High Road

London N20 9YZ



**DEUSI CONSTRUCTION LIMITED**

**FINANCIAL STATEMENTS**

**PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994**

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**The following pages do not form part of the statutory financial statements**

Detailed trading and profit and loss account	13
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**DEUSI CONSTRUCTION LIMITED****THE DIRECTORS' REPORT****PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994**

The directors have pleasure in presenting their report together with the audited financial statements of the company for the period from 1st May 1994 to 31st December 1994.

**PRINCIPAL ACTIVITIES**

The principal activity of the company has continued to be building contractors.

**DIRECTORS**

The directors who served the company during the period, together with their beneficial interests in the shares of the company were as follows:

	<b>Ordinary Shares of £1 each</b>	
	<b>At 31 Dec 94</b>	<b>At 1 May 94</b>
P.S. Deusi	34	34
K.S. Deusi	33	33
J.S. Deusi	33	33
	<hr/>	<hr/>

**AUDITORS**

A resolution to re-appoint MacIntyre Hudson as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**SMALL COMPANY EXEMPTIONS**

In preparing their report, the directors have taken advantage of the special exemptions from disclosure conferred by Part II of Schedule 8 to the Companies Act 1985 on the basis that, in their opinion, the company qualifies as a small company.

Registered office:

Deusi House  
Rushgrove Street  
London  
SE18 5DD

Signed on behalf of the directors



P.S. Deusi  
Company secretary

Approved by the directors on 2nd May 1997

**DEUSI CONSTRUCTION LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

**PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994**

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;
- 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. The directors 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.

**DEUSI CONSTRUCTION LIMITED****AUDITORS' REPORT TO THE SHAREHOLDERS****PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994**

We have audited the financial statements on pages 4 to 11.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

As described on the previous page, the directors of the company are responsible for the preparation of the 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 circumstances of the company, 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.

**Qualified opinion-Disagreement regarding non-depreciation of property**

As detailed in the accounting policies, depreciation has not been provided in respect of the company's freehold and leasehold properties, as required by both Statement of Standard Accounting Practice No.12 and Schedule 4 to the Companies Act 1985. It is not possible to quantify the depreciation since there is no separate valuation of the buildings. Any provision for depreciation will increase the loss before tax and reduce the net assets of the company accordingly.

Except for the absence of this provision, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1994 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Euro House  
1394 High Road  
London N20 9YZ

MACINTYRE HUDSON  
Chartered Accountants  
& Registered Auditors

2 May 1997

## DEUSI CONSTRUCTION LIMITED

## PROFIT AND LOSS ACCOUNT

PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994

	Note	Period to 31 Dec 94 £	Year to 30 Apr 94 £
<b>TURNOVER</b>		224,030	353,600
Cost of sales		141,080	199,934
<b>GROSS PROFIT</b>		82,950	153,666
Administrative expenses		95,482	140,760
Other operating income		5,235	11,521
<b>OPERATING (LOSS)/PROFIT</b>	1	( 7,297)	24,427
Interest receivable and similar income	3	4,885	16,100
Interest payable and similar charges	4	1,806	2,648
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		( 4,218)	37,879
Tax on (loss)/profit on ordinary activities	5	13,270	15,216
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(17,488)	22,663
Dividends		-	30,000
<b>RETAINED LOSS FOR THE FINANCIAL PERIOD</b>		(17,488)	(7,337)

The company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the company are classed as continuing.

## DEUSI CONSTRUCTION LIMITED

## BALANCE SHEET

31ST DECEMBER 1994

		31 Dec 1994		30 Apr 1994	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		148,615		320,515
<b>CURRENT ASSETS</b>					
Stocks	7	8,125		11,000	
Debtors	8	364,174		93,097	
Cash at bank and in hand		127,204		221,350	
		<u>499,503</u>		<u>325,447</u>	
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>196,383</u>		<u>176,053</u>	
<b>NET CURRENT ASSETS</b>			303,120		149,394
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>451,735</u>		<u>469,909</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	10		13,429		14,115
<b>NET ASSETS</b>			<u>438,306</u>		<u>455,794</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		100		100
Profit and loss account	13		438,206		455,694
<b>SHAREHOLDERS' FUNDS (all equity interests)</b>	14		<u>438,306</u>		<u>455,794</u>

In preparing these accounts, the directors have taken advantage of the special accounting exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the basis that, in their opinion, the company qualifies as a small company.

Approved by the directors on the 2nd May 1997

  
P.S. DEUSI

**DEUSI CONSTRUCTION LIMITED****STATEMENT OF ACCOUNTING POLICIES****31ST DECEMBER 1994**

The financial statements have been prepared under the historical cost convention using the following accounting policies:

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

**Turnover**

Turnover represents net amounts invoiced from architect's certificates adjusted for changes in work in progress at the year end, exclusive of value added tax.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 15% written down value
Motor vehicles	- 25% written down value

No depreciation is provided on freehold or leasehold properties as required by the Statement of Standard Accounting Practice No 12. (Accounting for depreciation).

**Work in progress**

Work in progress represents the proportion of architect's certificates on a time basis, issued after the year end and uninvoiced, which relate to the year under review.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

**Pension costs**

The company's pension plan for the directors is a defined contributions scheme. Consequently, the annual instalments charged to the profit and loss account are fixed under the terms of the scheme and the company has no potential liability other than for the payment of these instalments.

**Deferred taxation**

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.



## DEUSI CONSTRUCTION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994

## 1. OPERATING LOSS

Operating loss is stated after charging:

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
Depreciation	11,676	19,714
Loss/(Profit) on disposal of fixed assets	7,368	(1,061)
Auditors' fees	<u>2,000</u>	<u>3,000</u>

## 2. DIRECTORS' EMOLUMENTS

The directors' emoluments were:

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
Aggregate emoluments	<u>37,967</u>	<u>80,840</u>

## 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
Bank interest receivable	3,126	16,100
Other loan interest receivable	<u>1,759</u>	<u>-</u>
	<u>4,885</u>	<u>16,100</u>

## 4. INTEREST PAYABLE AND SIMILAR CHARGES

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
Finance charges	1,605	1,830
Other interest and similar charges	<u>201</u>	<u>818</u>
	<u>1,806</u>	<u>2,648</u>

## DEUSI CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994

## 5. TAXATION ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
Corporation tax based on the results for the period at 25% (1993: - 25%)	1,486	11,197
Adjustment to provision in previous years	11,784	4,019
	<u>13,270</u>	<u>15,216</u>

## 6. TANGIBLE FIXED ASSETS

	Freehold Properties £	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>					
At 1st May 1994	191,081	65,288	21,960	127,392	405,721
Additions	3,144	-	1,853	9,022	14,019
Disposals	(108,955)	(65,288)	-	-	(174,243)
At 31st December 1994	<u>85,270</u>	<u>-</u>	<u>23,813</u>	<u>136,414</u>	<u>245,497</u>
<b>DEPRECIATION</b>					
At 1st May 1994	-	-	11,326	73,880	85,206
Charge for period	-	-	1,252	10,424	11,676
At 31st December 1994	<u>-</u>	<u>-</u>	<u>12,578</u>	<u>84,304</u>	<u>96,882</u>
<b>NET BOOK VALUE</b>					
At 31st December 1994	<u>85,270</u>	<u>-</u>	<u>11,235</u>	<u>52,110</u>	<u>148,615</u>
At 30th April 1994	<u>191,081</u>	<u>65,288</u>	<u>10,634</u>	<u>53,512</u>	<u>320,515</u>

On 30th December 1994 the company's freehold and leasehold interests, other than the company's offices at Deusi House, were sold for £166,875 realising a loss on sale of £7,368.

**Hire purchase agreements**

Included within the net book value of £148,615 is £28,412 (1993 - £25,073) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the period in respect of such assets amounted to £5,683 (1993 - £8,358).

## DEUSI CONSTRUCTION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994

## 7. STOCKS

	31 Dec 94 £	30 Apr 94 £
Work-in-progress	<u>8,125</u>	<u>11,000</u>

## 8. DEBTORS

	31 Dec 94 £	30 Apr 94 £
Trade debtors	58,524	75,289
VAT recoverable	2,383	-
Other debtors	<u>303,267</u>	<u>17,808</u>
	<u>364,174</u>	<u>93,097</u>

The directors current accounts were overdrawn during the period up to a maximum amount of £119,719. Interest has been charged on the overdrawn balance at the Inland Revenue official rate. The overdrawn balance at the end of the period was £119,719. Since the period end, the overdrawn directors current accounts have been repaid.

## 9. CREDITORS: Amounts falling due within one year

	31 Dec 94 £	30 Apr 94 £
Bank loans and overdrafts	50,746	-
Hire purchase agreements	10,598	7,897
Trade creditors	38,337	15,569
Corporation tax	34,022	59,027
Advance corporation tax	-	22,500
Other taxation & social security	42,405	40,518
Other creditors	<u>20,275</u>	<u>30,542</u>
	<u>196,383</u>	<u>176,053</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	31 Dec 94 £	30 Apr 94 £
Bank loans and overdrafts	<u>50,746</u>	<u>-</u>

## DEUSI CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994

## 10. CREDITORS: Amounts falling due after more than one year

	31 Dec 94 £	30 Apr 94 £
Hire purchase agreements	<u>13,429</u>	<u>14,115</u>

## 11. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	31 Dec 94 £	30 Apr 94 £
Amounts payable within 1 year	10,598	7,897
Amounts payable between 2 to 5 years	<u>13,429</u>	<u>14,115</u>
	<u>24,027</u>	<u>22,012</u>

## 12. SHARE CAPITAL

## Authorised share capital:

	31 Dec 94 £	30 Apr 94 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

## Allotted, called up and fully paid:

	31 Dec 94 £	30 Apr 94 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

## 13. RESERVES

## Profit and Loss Account:

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
Balance brought forward	455,694	463,031
Retained loss for the financial period	<u>(17,488)</u>	<u>(7,337)</u>
Balance carried forward	<u>438,206</u>	<u>455,694</u>

## DEUSI CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1ST MAY 1994 TO 31ST DECEMBER 1994

## 14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Period to 31 Dec 94 £	Year to 30 Apr 94 £
(Loss)/Profit for the financial period	(17,488)	22,663
Dividends	-	(30,000)
	<u>(17,488)</u>	<u>(7,337)</u>
Opening shareholders' equity funds	455,794	463,131
Closing shareholders' equity funds	<u>438,306</u>	<u>455,794</u>

## 15. TRANSACTIONS INVOLVING DIRECTORS

On 30th December 1994 the company's freehold properties and leasehold interests, other than the company's offices at Deusi House, were sold to Deusi Investments Limited. The directors of the company are also directors of Deusi Investments Limited. The consideration amounted to £166,875 and was based on current market value of the properties. Included in other debtors of £303,267 is an amount owing from Deusi Investments Limited amounting to £166,875.