

1944308

**JULIAN SMITH LIMITED**

**Financial Statements for the  
year ended 30 September 1995**



# JULIAN SMITH LIMITED

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## DIRECTORS

J R Smith  
E J Smith

## SECRETARY

E J Smith

## REGISTERED OFFICE

15 Albemarle Street  
London  
W1X 3HA

## COMPANY REGISTRATION NUMBER

1944308

## AUDITORS

BUTT COZENS  
Town Wall House  
Balkerne Hill  
Colchester  
CO3 3AD

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**REPORT OF THE DIRECTORS**

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The Directors present their report and financial statements for the year ended 30 September 1995.

**Principal activities and business review**

The principal activity of the company is that of property dealing, development and providing advice to other developers. The company also farms in Eire as part of its trading activities.

The trading loss for the year was expected by the directors and is due to the continuing depressed state of the property market and the poor results from the farming activities.

**Results and dividends**

The results for the year after taxation are shown in the accounts. The directors do not recommend the payment of a dividend.

**Fixed assets**

The changes in fixed assets are detailed in the notes to the accounts.

**Directors and their interests**

The directors who served the company throughout the period together with their interests (including family interests) in the shares of the company at the beginning and end of the year, were as follows:-

	Ordinary shares of £1 each	
	30-9-95	1-10-94
J R Smith	50	50
E J Smith	50	50

**Statement of director's responsibilities**

The directors are obliged under company law to prepare financial statements for each financial year.

The directors are satisfied that these financial statements give a true and fair view of the state of affairs of the company as at 30 September 1995 and of the loss for the year then ended.

These financial statements have been prepared by the directors on a going concern basis, using suitable accounting policies consistently applied, supported by reasonable and prudent judgments and estimates. Applicable accounting standards have been followed.

The directors are satisfied that adequate accounting records have been maintained in order to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

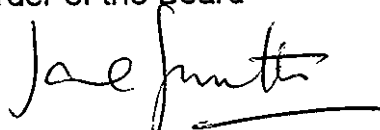
REPORT OF THE DIRECTORS (Continued)

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**Auditors**

Butt Cozens have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they may be re-appointed auditors to the company for the ensuing year.

By order of the Board

A handwritten signature in cursive script, appearing to read 'E J Smith', with a horizontal line underneath.

**E J Smith**  
**Secretary**

## Auditors' Report to the Shareholders

on the Accounts for the year ended 30th September 1995

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We have audited the financial statements on pages 4 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### Respective responsibilities of the directors and auditors

As described on page 1 the company's directors 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 company's circumstances, consistently applied and adequately disclosed.

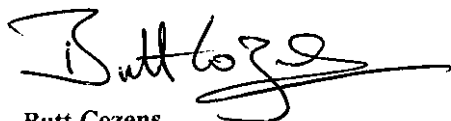
We planned and performed our audit so as to obtain all information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

### Fundamental Uncertainty

The financial statements have been prepared on the going concern basis. This basis may not be appropriate because at the balance sheet date the company's liabilities exceeded the company's total assets by £167,989. The company's continued trading is therefore dependent upon the support of its creditors. Should the company fail to receive that support and cease trading, adjustments would have to be made to the value of the assets and liabilities included in the company's balance sheet. Assets would have to be restated at their realisable amount and additional liabilities arising would have to be provided for. It has been assumed in the preparation of these financial statements that the financial support currently available will continue into the foreseeable future. Our opinion is not qualified in this respect.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Butt Cozens  
Chartered Accountants  
and Registered Auditors

Town Wall House  
Balkerne Hill  
Colchester  
Essex  
CO3 3AD

9th January 1997

**PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 30 SEPTEMBER 1995**

	Notes	1995 £	1994 £
Turnover	1 & 2	34,743	43,897
Cost of sales		10,038	(6,121)
<b>Gross Profit</b>		<u>24,705</u>	<u>50,018</u>
Administrative expenses		131,241	65,609
		<u>(106,536)</u>	<u>(15,591)</u>
Interest payable and similar charges	3	56,097	52,989
<b>Loss on ordinary activities before taxation</b>	4	<u>(162,633)</u>	<u>(68,580)</u>
Taxation	6	-	-
<b>Retained loss for the year</b>	13	<u><u>(162,633)</u></u>	<u><u>(68,580)</u></u>

There are no recognised gains and losses in the year other than the loss for the year.

All figures are in respect of continuing operations.

**BALANCE SHEET as at 30 SEPTEMBER 1995**

	Notes	1995 £	1994 £
<b>Fixed Assets</b>			
Tangible fixed assets	7	688,454	642,623
Investments	8	30	30
		<u>688,484</u>	<u>642,653</u>
<b>Current Assets</b>			
Stock	9	28,740	31,265
Debtors	10	231,125	333,157
Cash at bank and in hand		-	40,464
		<u>259,865</u>	<u>404,886</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>595,618</u>	<u>588,405</u>
<b>Net Current Assets</b>		<u>(335,753)</u>	<u>(183,519)</u>
<b>Total Assets Less Current Liabilities</b>		<u>352,731</u>	<u>459,134</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>520,720</u>	<u>464,490</u>
		<u>(167,989)</u>	<u>(5,356)</u>
<b>Capital and Reserves</b>			
Called up share capital	13	100	100
Profit and loss account	13	(168,089)	(5,456)
		<u>(167,989)</u>	<u>(5,356)</u>
<b>Analysis of shareholders' funds</b>			
Equity interests		<u>(167,989)</u>	<u>(5,356)</u>

Approved by the Board on 7 January 1997

  
 J R SMITH  
 Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

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**1. Accounting policies****a) Accounting basis and standards**

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

**b) Turnover**

Turnover represents farming income and consultancy services, excluding VAT.

**c) Work in progress**

Work in progress is valued at prime costs inclusive of interest.

**d) Depreciation**

Depreciation on fixed assets is provided at rates estimated to write off the cost less estimated residual value, of each asset over its expected useful life as follows:

Freehold property	2% straight line
Motor vehicles	25% reducing balance
Farm plant and machinery	12.5% straight line
Fixtures, fittings and office equipment	15% straight line

**e) Taxation**

No provision is made for deferred taxation as the amounts are immaterial.

**f) Foreign currencies**

Transactions in foreign currencies have been translated at the year end rate. Any exchange difference between monetary assets and liabilities at the beginning and end of the year have been dealt with through the profit and loss account.

**g) Cashflow statement**

The company has taken advantage of the exemption provided by the Financial Reporting Standard 1 and has not prepared a Cashflow Statement for the year because, under the provisions of the Statement, the company qualifies as a small company.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

**2. Turnover**

	<b>1995</b>		<b>1994</b>	
	£	£	£	£
	Turnover	Operating Profit/(Loss)	Turnover	Operating Profit/(Loss)
Property development in U.K.	-	(64,627)	28,333	7,253
Farming in Eire	34,743	(41,909)	15,564	(22,844)
	<u>34,743</u>	<u>(106,536)</u>	<u>43,897</u>	<u>(15,591)</u>

**3. Interest payable**

	<b>1995</b>	<b>1994</b>
	£	£
Bank interest	<u>56,097</u>	<u>52,989</u>

**4. Profit/(Loss) on ordinary activities before taxation**

Profit/(Loss) on ordinary activities before taxation is stated after charging/(crediting)

Depreciation - owned assets	18,239	16,798
Auditors remuneration	<u>750</u>	<u>500</u>

**5. Directors' emoluments**

There were no directors emoluments paid in the year ( 1994 - £nil)

The average number of persons employed by the company was as follows:

Administration	<u>2</u>	<u>2</u>
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**6. Taxation**

Corporation tax based on the results for the year at the rate of 25%

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

**7. Tangible fixed assets**

	Freehold Property	Office Equipment	Motor Vehicles	Farm Plant & Machinery	Total
<b>Cost</b>					
At 1 October 1994	701,448	2,466	14,088	19,199	737,201
Exchange adjustment	24,460	86	-	669	25,215
Additions	41,456	-	-	205	41,661
	<u>767,364</u>	<u>2,552</u>	<u>14,088</u>	<u>20,073</u>	<u>804,077</u>
<b>Depreciation</b>					
At 1 October 1994	69,313	1,832	14,088	9,345	94,578
Provided in year	15,347	383	-	2,509	18,239
Exchange adjustment	2,417	63	-	326	2,806
	<u>87,077</u>	<u>2,278</u>	<u>14,088</u>	<u>12,180</u>	<u>115,623</u>
<b>Net book value</b>					
At 30 September 1995	<u>680,287</u>	<u>274</u>	<u>-</u>	<u>7,893</u>	<u>688,454</u>
At 30 September 1994	<u>632,135</u>	<u>634</u>	<u>-</u>	<u>9,854</u>	<u>642,623</u>

**8. Investments**

	<b>1995</b> <b>£</b>	<b>1994</b> <b>£</b>
Investment in Lawton Smith Limited:		
30 Ordinary shares of £1 each	30	30
500,000 Preference shares of £1 each (70p paid)	350,000	350,000
	<u>350,030</u>	<u>350,030</u>
Current account	160,000	160,000
	<u>190,030</u>	<u>190,030</u>
Less provision for losses in Lawton Smith Limited	190,000	190,000
	<u>30</u>	<u>30</u>

**9. Stocks**

Farm stocks	<u>28,740</u>	<u>31,265</u>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

**10. Debtors**

	<b>1995</b>	<b>1994</b>
Trade debtors	4,137	88,183
Corporation tax	36,776	36,139
Directors' current account	190,212	208,835
	<u>231,125</u>	<u>333,157</u>

**11. Creditors: amounts falling due within one year**

Bank loans/overdraft (secured)	12,866	9,239
Amounts owed to partnership	41,000	111,000
Trade creditors	46,188	22,783
Taxation and social security	156,598	168,777
Other creditors	330,291	268,281
Accruals	8,675	8,325
	<u>595,618</u>	<u>588,405</u>

**12. Creditors: amounts falling due after more than one year**

Bank loans (secured)	<u>520,720</u>	<u>464,490</u>
Included in the above are the following:		
Bank loan repayable by instalments in 2 to 5 years	61,776	20,256
Bank loan repayable otherwise than by instalments - repayable after five years	458,944	444,234
	<u>520,720</u>	<u>464,490</u>

**13. Shareholders Funds**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance at 1 October 1993	100	63,124	63,224
Loss for the year	-	(68,580)	(68,580)
Balance at 30 September 1994	<u>100</u>	<u>(5,456)</u>	<u>(5,356)</u>
Loss for the year	-	(162,633)	(162,633)
Balance at 30 September 1995	<u>100</u>	<u>(168,089)</u>	<u>(167,989)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995**

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**13. Shareholders Funds (cont.)**

The share capital comprises:

	1995	1994
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>