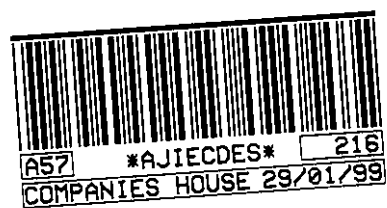


# P C Tustin and Co Limited

Annual report and accounts  
for the year ended 31 March 1998

Registered number: 1994736



# Directors' report

For the year ended 31 March 1998

The directors present their annual report, together with the accounts for the year ended 31 March 1998.

## Directors' Responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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.

## Principal activities and review of the business

The principal activity of the company is that of carrying on a holiday lettings trade and managing properties held by the company.

During the year the company sold a property, 39 York Street, for consideration of £491,739 after legal fees. This was used to redeem the bank loan, repay shareholders loans and fund the future working capital requirements of the company.

The directors are continuing the drive to ensure that all the properties are fully let but not at the expense of commercial terms.

## Results and dividend

The result for the year after taxation is shown in the profit and loss account on page 4.

The directors do not recommend payment of a dividend (1997: £nil).

## Directors' report (continued)

### Directors and their interests

The directors who served during the year and their interests in the ordinary shares of the company were as follows:

	1998 £	1997 £
B Tustin (Managing Director)	1,900	1,900
Mrs I Beard (non-executive)	2,500	2,500
CW Vaughan-Jones	200	200

Mr CW Vaughan-Jones has a non-beneficial interest in 1,350 shares also held in trust.

This report was approved by the Board on *27th January 1999*



CW Vaughan-Jones  
Director

# BINDER HAMLYN

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Andersen Worldwide

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20 Old Bailey  
London EC4M 7BH

## Accountants' report

To the directors on the unaudited accounts of P C Tustin and Co Limited :

As described on the balance sheet, you are responsible for the preparation of the accounts for the year ended 31 March 1998 set out on pages 4 to 11 and you consider the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations provided to us.

*Binder Hamlyn*  
Binder Hamlyn

Chartered Accountants

*28 January 1999*

## Profit and loss account

For the year ended 31 March 1998

	Notes	1998 £	1997 £
Turnover	2	274,423	264,940
Direct costs		<u>(69,661)</u>	<u>(68,954)</u>
Gross profit		204,762	195,986
Administrative expenses		<u>(159,296)</u>	<u>(156,775)</u>
Operating profit	3	45,466	39,211
Other income	4	24,585	6,227
Interest payable and similar charges	5	<u>(3,432)</u>	<u>(13,552)</u>
		66,619	31,886
Profit on disposal of Property		<u>127,045</u>	<u>-</u>
Profit on ordinary activities before taxation		193,664	31,886
Tax on profit on ordinary activities	8	<u>(15,904)</u>	<u>(7,136)</u>
Retained profit for the year	17	177,760	24,750
Retained profit brought forward		<u>57,478</u>	<u>32,728</u>
Retained profit carried forward		<u>235,238</u>	<u>57,478</u>

All turnover and profits are derived from continuing operations.

### Statement of total recognised gains and losses

The company has no recognised gains or losses other than those stated in the profit and loss account.

The accompanying notes are an integral part of this profit and loss account.

# Balance sheet

31 March 1998

	Notes	1998 £	1997 £
<b>Fixed assets</b>			
Investments	9	150,000	-
Tangible fixed assets	10	<u>1,747,964</u>	<u>1,956,845</u>
<b>Current assets</b>			
Stocks	11	23,453	16,799
Debtors	12	19,459	7,987
Cash at bank and in hand		<u>174,998</u>	<u>104,972</u>
		217,910	129,758
<b>Creditors: amounts falling due within one year</b>	13	<u>(68,172)</u>	<u>(152,865)</u>
<b>Net current assets / (Liabilities)</b>		<u>149,738</u>	<u>(23,107)</u>
<b>Total assets less current liabilities</b>		2,047,702	1,933,738
<b>Creditors: amounts falling due after more than one year</b>	14	<u>(6,480)</u>	<u>(70,276)</u>
		<u>2,041,222</u>	<u>1,863,462</u>
<b>Capital and reserves</b>			
Called up share capital	16	7,500	7,500
Share premium		1,798,484	1,798,484
Profit and loss account		<u>235,238</u>	<u>57,478</u>
<b>Equity shareholders' funds</b>	17	<u>2,041,222</u>	<u>1,863,462</u>

In preparing these unaudited accounts advantage has been taken of the exemption under section 249A(1) of the Companies Act 1985. No notice requiring an audit has been deposited by members under section 249B(2).

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 to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The accounts on pages 4 to 11 were approved by the Board on

*CW Vaughan-Jones*  
CW Vaughan-Jones  
Director

*B Tustin*  
B Tustin  
Director

The accompanying notes are an integral part of this balance sheet.

# Notes to the financial statements

For the year ended 31 March 1998

## 1 Accounting policies

### Accounting convention

The principal accounting policies are summarised below. They have all been applied consistently throughout both the current and the preceding year.

### Basis of accounting

The accounts have been prepared under the historical cost convention, in accordance with applicable accounting standards.

### Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and provision for permanent diminution in value. Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Freehold land	- Nil
Freehold buildings	- 2%
Furniture and equipment	- 10%
Motor vehicles	- 25%

All additions to soft furnishings are written off in the year of purchase.

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

### Stock

Stocks are valued at the lower of cost and net realisable value.

### Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced, except that the deferred tax effects of timing differences arising from pensions and other post-retirement benefits are always recognised in full.

## Notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### Value added tax

The company is liable for VAT on income from holiday letting less related expenditure. VAT on overhead expenditure not directly related to holiday letting is allowable in the same ratio that income from holiday lets bears to the total rental income.

#### Leases

Assets held under finance leases, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

### 2 Turnover

Turnover represents the sale of goods from Wren House and rents receivable during the year. Turnover is made up as follows:

	1998 £	1997 £
Holiday letting	115,894	98,327
Tenancy rentals	139,715	141,989
Wren House sales	18,814	24,624
	<u>274,423</u>	<u>264,940</u>

### 3 Operating profit

is stated after charging:

Depreciation on owed tangible fixed assets	39,354	38,955
Auditors' remuneration	<u>-</u>	<u>4,500</u>



## Notes to the financial statements (continued)

### 4 Other income

	1998	1997
	£	£
Interest receivable	18,955	1,390
Commission on insurance	3,170	3,975
Sundry income	2,460	862
	<u>24,585</u>	<u>6,227</u>

### 5 Interest payable and similar charges

Hire purchase interest	25	-
On loans and overdrafts	816	13,552
Other interest	2,591	-
	<u>3,432</u>	<u>13,552</u>

### 6 Directors' remuneration

The remuneration of the directors was as follows:

Emoluments	67,601	67,679
Company contributions to money purchase pension scheme	1,000	3,000
	<u>68,601</u>	<u>70,679</u>

### 7 Staff costs

The average weekly number of employees, including working directors, during the year was 3 (1997: 3) all of whom are involved in administration and management.

Their aggregate remuneration comprised:

Wages and salaries	83,705	81,665
Social security costs	8,370	8,180
Pension costs	1,000	3,000
	<u>93,075</u>	<u>92,845</u>

## Notes to the financial statements (continued)

### 8 Taxation

	1998 £	1997 £
UK corporation tax at 21% (1997 - 24%)	15,904	9,011
Irrecoverable ACT (written back)/charged	-	(1,875)
<b>Tax on profit on ordinary activities</b>	<b>15,904</b>	<b>7,136</b>

### 9 Investments

	1998 £
UK Listed Investments	150,000

### 10 Tangible fixed assets

	Freehold land £	Freehold buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
1 April 1997	983,347	1,100,112	169,526	9,286	2,262,271
Additions	-	175,458	9,098	13,316	197,872
Disposals	-	(367,399)	-	(9,286)	(376,685)
<b>31 March 1998</b>	<b>983,347</b>	<b>908,171</b>	<b>178,624</b>	<b>13,316</b>	<b>2,083,458</b>
<b>Depreciation</b>					
1 April 1997	-	183,034	113,106	9,286	305,426
Charge for year	-	18,163	17,862	3,329	39,354
Disposals	-	-	-	(9,286)	(9,286)
<b>31 March 1998</b>	<b>-</b>	<b>201,197</b>	<b>130,968</b>	<b>3,329</b>	<b>335,494</b>
<b>Net book value</b>					
<b>31 March 1998</b>	<b>983,347</b>	<b>706,974</b>	<b>47,656</b>	<b>9,987</b>	<b>1,747,964</b>
<b>31 March 1997</b>	<b>983,347</b>	<b>917,078</b>	<b>56,420</b>	<b>-</b>	<b>1,956,845</b>

## Notes to the financial statements (continued)

### 11 Stocks

	1998 £	1997 £
Purchases for resale	<u>23,453</u>	<u>16,799</u>

### 12 Debtors

Trade debtors	11,975	4,500
Prepayments and accrued income	1,862	1,846
VAT recoverable	<u>5,622</u>	<u>1,641</u>
	<u>19,459</u>	<u>7,987</u>

### 13 Creditors: amounts falling due within one year

Bank loans and overdraft	-	10,273
Corporation tax	15,904	6,511
Other creditors	33,979	116,245
Other taxes and social security	3,990	4,426
Obligations under hire purchase	3,381	-
Accruals	<u>10,918</u>	<u>15,410</u>
	<u>68,172</u>	<u>152,865</u>

Included in other creditors are loans from shareholders totalling £nil (1997: £79,360).

### 14 Creditors: amounts falling due after more than one year

Obligations under hire purchase	6,480	-
Bank loans	<u>-</u>	<u>70,276</u>
	<u>6,480</u>	<u>70,276</u>

There are no obligations under hire purchase contracts over five years.

### 15 Bank loans and overdrafts

The bank loans and overdrafts are repayable as follows:

Repayable by instalments		
- due within five years	-	62,089
- due in more than five years	<u>-</u>	<u>18,460</u>
	<u>-</u>	<u>80,549</u>

## Notes to the financial statements (continued)

### 16 Share capital

	1998	1997
	£	£
<b>Authorised</b>		
Ordinary shares of £1 each	10,000	10,000
	<u>          </u>	<u>          </u>
<b>Allotted and fully paid</b>		
Ordinary shares of £1 each	7,500	7,500
	<u>          </u>	<u>          </u>

### 17 Reconciliation of movement in shareholders' funds

Shareholders' funds brought forward	1,863,462	1,838,712
Retained profit for the year	177,760	24,750
	<u>          </u>	<u>          </u>
Shareholders' funds carried forward	2,041,222	1,863,462
	<u>          </u>	<u>          </u>