

Company Registration No. 2006742 (England and Wales)

**REYKER INVESTMENTS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1996**



# **REYKER INVESTMENTS LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

N D J Freeman  
F A Dada  
C R B Hesketh

### **Secretary**

St James Secretariat Limited

### **Company number**

2006742

### **Registered office**

30 St James's Street  
London  
SW1A 1HB

### **Auditors**

Green & Peter  
The Limes, 1339 High Road  
Whetstone  
London  
N20 9HR

### **Bankers**

Lloyds Private Banking Limited  
50 Grosvenor Street  
London  
W1X 9FH

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**REYKER INVESTMENTS LIMITED**

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# REYKER INVESTMENTS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1996

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The directors present their report and financial statements for the year ended 31 December 1996.

### Principal activities

The principal activities of the company are the provision of management and management consultancy services and investment holding and management.

### Directors

The following directors have held office since 1 January 1996:

N D J Freeman  
F A Dada  
C R B Hesketh

### Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 1996	1 January 1996
N D J Freeman	194,610	261,610
F A Dada	-	-
C R B Hesketh	-	-

	Deferred shares of £1 each	
	31 December 1996	1 January 1996
N D J Freeman	100	100
F A Dada	-	-
C R B Hesketh	-	-

The directors' non-beneficial interests in the shares of the company were as stated below:

	Non-beneficial shares	
	31 December 1996	1 January 1996
N D J Freeman	205,140	138,140
F A Dada	205,140	-
C R B Hesketh	205,140	-

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Green & Peter be reappointed as auditors of the company will be put to the Annual General Meeting.

# REYKER INVESTMENTS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1996

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### Directors' responsibilities

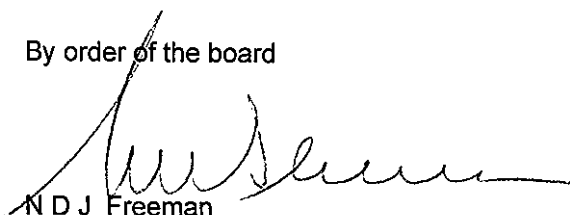
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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. 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 the preparation of the directors' report advantage has been taken of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

By order of the board



N D J Freeman

Director

23 July 1997

**REYKER INVESTMENTS LIMITED**

**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF REYKER INVESTMENTS LIMITED**

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 directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of 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**

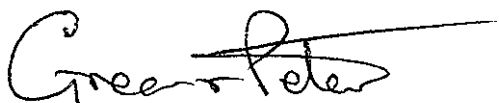
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

In our opinion the company is entitled to the exemption from preparing consolidated financial statements by Section 248 of the Companies Act 1985.



**Green & Peter**

Chartered Accountants  
Registered Auditor

23rd July 1997  
The Limes, 1339 High Road  
Whetstone  
London  
N20 9HR

**REYKER INVESTMENTS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1996**

	Notes	1996 £	1995 £
Turnover		58,361	54,031
Administrative expenses		(58,320)	(43,516)
<b>Operating profit</b>	<b>2</b>	<b>41</b>	<b>10,515</b>
Investment income	<b>3</b>	100,000	25,000
Other interest receivable	<b>3</b>	904	1,167
Interest payable		(25)	-
<b>Profit on ordinary activities before taxation</b>		<b>100,920</b>	<b>36,682</b>
Tax on profit on ordinary activities	<b>4</b>	(20,000)	(2,757)
<b>Profit on ordinary activities after taxation</b>		<b>80,920</b>	<b>33,925</b>
Proposed dividends		(15,000)	(10,000)
<b>Retained profit for the year</b>	<b>10</b>	<b>65,920</b>	<b>23,925</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**REYKER INVESTMENTS LIMITED**

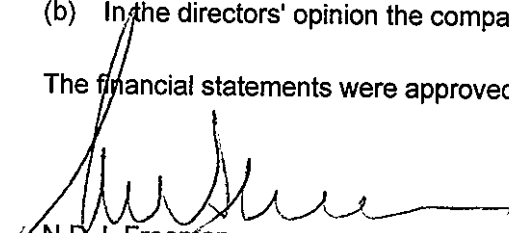
**BALANCE SHEET  
AS AT 31 DECEMBER 1996**

	Notes	1996 £	£	1995 £	£
<b>Fixed Assets</b>					
Tangible assets	5		21,875		12,691
Investments	6		665,363		612,600
			<u>687,238</u>		<u>625,291</u>
<b>Current Assets</b>					
Debtors	7	155,734		184,767	
Cash at bank		40,321		1,661	
		<u>196,055</u>		<u>186,428</u>	
<b>Creditors: amounts falling due within one year</b>	8	(32,694)		(27,040)	
<b>Net Current Assets</b>			<u>163,361</u>		<u>159,388</u>
<b>Total Assets Less Current Liabilities</b>			<u>850,599</u>		<u>784,679</u>
<b>Capital and Reserves</b>					
Called up share capital	9		400,100		400,100
Share premium account	10		122,344		122,344
Profit and loss account	10		328,155		262,235
<b>Shareholders' Funds</b>	11		<u>850,599</u>		<u>784,679</u>
Equity interests			850,499		784,579
Non-equity interests			100		100
			<u>850,599</u>		<u>784,679</u>

In preparing these financial statements:

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the Board on 23 July 1997

  
N D J Freeman  
Director



# REYKER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1996

### 1 Accounting Policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

#### 1.2 Turnover

Turnover represents the value of services invoiced exclusive of value added tax.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Motor vehicles	25% per annum reducing balance
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#### 1.4 Leasing

Rentals applicable to operating leases where substantially all of the risks of ownership remains with the lessor are charged against profit as incurred.

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.6 Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

### 2 Operating Profit

	1996	1995
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	3,625	563
Property rentals	2,500	2,437
Auditors' remuneration	500	400
Directors' emoluments	17,500	12,500

**REYKER INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1996**

<b>3</b>	<b>Income from Investments, Other Interest Receivable and Similar Income</b>	<b>1996</b>	<b>1995</b>	
		<b>£</b>	<b>£</b>	
	Dividend from H & F Securities Limited for 1994	-	25,000	
	Dividend from H & F Securities Limited for 1995	20,000	-	
	Dividend from H & F Securities Limited for 1996	80,000	-	
	Bank deposit interest received	904	1,167	
		<u>100,904</u>	<u>26,167</u>	
<b>4</b>	<b>Taxation</b>	<b>1996</b>	<b>1995</b>	
		<b>£</b>	<b>£</b>	
	<b>U.K. Current year taxation</b>			
	U.K. Corporation tax at 24% (1995- 25%)	-	292	
	Tax on franked investment income	20,000	5,000	
		<u>20,000</u>	<u>5,292</u>	
	<b>Prior years</b>			
	U.K. Corporation tax	-	(2,535)	
		<u>20,000</u>	<u>2,757</u>	
<b>5</b>	<b>Tangible Fixed Assets</b>			
		<b>Land and buildings</b>	<b>Motor vehicles</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	<b>Cost</b>			
	At 1 January 1996	11,000	9,500	20,500
	Additions	-	14,500	14,500
	Disposals	-	(9,500)	(9,500)
	At 31 December 1996	<u>11,000</u>	<u>14,500</u>	<u>25,500</u>
	<b>Depreciation</b>			
	At 1 January 1996	-	7,809	7,809
	On disposals	-	(7,809)	(7,809)
	Charge for the year	-	3,625	3,625
	At 31 December 1996	<u>-</u>	<u>3,625</u>	<u>3,625</u>
	<b>Net book value</b>			
	At 31 December 1996	<u>11,000</u>	<u>10,875</u>	<u>21,875</u>
	At 31 December 1995	<u>11,000</u>	<u>1,691</u>	<u>12,691</u>

**REYKER INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1996****6 Fixed asset investments**

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 January 1996	612,600
Additions	52,763
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At 31 December 1996	665,363
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In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
H & F Securities Limited	England & Wales	Ordinary	100
H & F Properties Limited	England & Wales	Ordinary	100
Reyker Securities Inc.	USA	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
H & F Securities Limited	396,809	(10,238)
H & F Properties Limited	231,649	39,787
Reyker Securities Inc.	271,827	18,326
	<hr/>	<hr/>

The subsidiaries are engaged in investment activities.

**REYKER INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1996**

<b>7 Debtors</b>	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Amounts due from subsidiary undertakings	150,000	184,142
Other debtors	5,734	625
	<u>155,734</u>	<u>184,767</u>
	<u><u>155,734</u></u>	<u><u>184,767</u></u>
 <b>8 Creditors: amounts falling due within one year</b>	 <b>1996</b>	 <b>1995</b>
	<b>£</b>	<b>£</b>
Corporation tax	-	604
Other taxes and social security costs	8,694	6,517
Accruals and deferred income	9,000	9,919
Proposed dividend	15,000	10,000
	<u>32,694</u>	<u>27,040</u>
	<u><u>32,694</u></u>	<u><u>27,040</u></u>
 <b>9 Share Capital</b>	 <b>1996</b>	 <b>1995</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
400,000 Ordinary shares of £1 each	400,000	400,000
100 Deferred shares of £1 each	100	100
	<u>400,100</u>	<u>400,100</u>
	<u><u>400,100</u></u>	<u><u>400,100</u></u>
 <b>Allotted, called up and fully paid</b>		
400,000 Ordinary shares of £1 each	400,000	400,000
100 Deferred shares of £1 each	100	100
	<u>400,100</u>	<u>400,100</u>
	<u><u>400,100</u></u>	<u><u>400,100</u></u>

**REYKER INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1996****10 Statement of movements on reserves**

	Share premium account £	Profit and loss account £
Balance at 1 January 1996	122,344	262,235
Retained profit for the year	-	65,920
Balance at 31 December 1996	122,344	328,155

**11 Reconciliation of movements in shareholders' funds**

	1996 £	1995 £
Profit for the financial year	80,920	33,925
Dividends	(15,000)	(10,000)
Net addition to shareholders' funds	65,920	23,925
Opening shareholders' funds	784,679	760,754
Closing shareholders' funds	850,599	784,679

**12 Financial Commitments**

At 31 December 1996 the company had annual commitments under short term leases as follows:

	Land and buildings	
	1996 £	1995 £
Expiry date:		
Within one year	2,500	2,500