

CANONBURY LIMITED

Report and Accounts

30 September 1998

COMPANY NUMBER 2212844



CANONBURY LIMITED
Report and accounts
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CANONBURY LIMITED
Company Information

Directors

T.J.Hedderson
M.Hedderson

Secretary

T.J.Hedderson

Auditors

S.J.Wright & Co.,
Chartered Certified Accountants,
336 Hackney Road,
London E2 7AX.

Registered office

190/192
New North Road,
London
N1 7BJ.

CANONBURY LIMITED

The directors present their report and accounts for the year ended 30 September 1998.

Principal activities

The company's principal activities during the year were those of the operation of licensed premises and property letting.

Directors

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

	£1 Ordinary shares	
	1998	1997
T.J.Hedderson	5,824	5,824
J.Hedderson	10,000	10,000
G.Hedderson	-	-

On 4th April 1999, Mr.J.Hedderson and Mrs.G.Hedderson resigned as directors and Mr.M.Hedderson was appointed a director.

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 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; 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 maintaining 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.

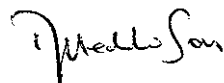
Auditors

A resolution to reappoint S.J.Wright & Co., as auditors will be put to the members at the Annual General Meeting.

Small company special provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 16 April 1999.



T.J.Hedderson
Secretary

CANONBURY LIMITED
Auditors' Report

**Report of the auditors
to the shareholders of CANONBURY LIMITED**

We have audited the accounts on pages 4 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, 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 the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

SJ Wright & Co.

S.J.Wright & Co.,
Chartered Certified Accountants and Registered Auditors

336 Hackney Road,
London E2 7AX.

16 April 1999

CANONBURY LIMITED
Profit and Loss Account
for the year ended 30 September 1998

	Notes	1998 £	1997 £
Turnover	1(b)	583,274	571,807
Administrative expenses		(642,805)	(429,160)
Operating loss/Profit	2	<u>(59,531)</u>	<u>142,647</u>
Income from investments		25	29
Compensation on surrender of lease		-	20,000
Management charge		51,276	35,819
Interest receivable		565	3,097
Interest payable		-	(164)
(Loss)/profit on ordinary activities before taxation		<u>(7,665)</u>	<u>201,428</u>
Tax on (loss)/profit on ordinary activities	3	11,994	(51,662)
Profit for the financial year		<u>4,329</u>	<u>149,766</u>
Retained profit for the financial year	11	<u>4,329</u>	<u>149,766</u>

CANONBURY LIMITED
Balance Sheet
as at 30 September 1998

	Notes	1998 £	1997 £
Fixed assets			
Tangible assets	4	2,199,785	2,220,019
Investments	5	841	841
		<u>2,200,626</u>	<u>2,220,860</u>
Current assets			
Stocks		6,338	7,086
Debtors	6	196,603	88,976
Cash at bank and in hand		7,000	3,364
		<u>209,941</u>	<u>99,426</u>
Creditors: amounts falling due within one year	7	(221,220)	(135,268)
Net current liabilities		<u>(11,279)</u>	<u>(35,842)</u>
Net assets		<u>2,189,347</u>	<u>2,185,018</u>
Capital and reserves			
Called up share capital	9	20,618	20,618
Other reserves	10	1,318,369	1,318,369
Profit and loss account	11	850,360	846,031
Shareholders' funds		<u>2,189,347</u>	<u>2,185,018</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.



T.J. Hedderson
 Director

Approved by the board on 16 April 1999

CANONBURY LIMITED
Notes to the Accounts
for the year ended 30 September 1998

1 Accounting policies

a) Accounting principles

These accounts have been prepared in accordance with the Financial Reporting Standards relating to Smaller Entities. Compliance with SSAP 19 "Accounting for Investment Properties" requires departure from the requirements of Companies Act 1985 relating to depreciation and amortisation and an explanation of the departure is given in note 1(g) below.

b) Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and includes income from property lettings.

c) Depreciation

Depreciation has been provided on all fixed assets other than freehold and long leasehold land and buildings at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Fixtures, fittings and equipment	25% per annum
Motor vehicles	25% per annum

d) Stocks

Stock is valued at the lower of cost and net realisable value.

e) Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes, except to the extent that a liability to taxation is unlikely to crystallise.

f) Group accounts - Exemptions

The Company has taken advantage of the exemption available to small companies under the Companies Act not to prepare consolidated accounts. Accordingly the financial statements present information about the company as an individual undertaking and not about its group.

g) Investment properties

Investment properties are revalued externally every 5 years (annually by the directors) and in the opinion of the directors the carrying value of these properties is not materially different from the previous year. No provision is made for amortisation of leasehold properties held on leases having more than 20 years unexpired. This departure from the requirements of the companies Act 1985 is, in the opinion of the directors, necessary for the accounts to show a true and fair view.

The depreciation or amortisation (which would had the provisions of the Act been followed, have reduced profit for the year) is only one of the factors reflected in the annual valuation and the amount attributable to this factor cannot reasonably be separately identified or quantified.

h) Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

CANONBURY LIMITED
Notes to the Accounts
for the year ended 30 September 1998

2 Loss/Profit on Ordinary Activities before taxation	1998	1997
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	25,943	25,063
Directors' remuneration	210,000	60,000
Auditors' remuneration	2,800	2,800

3 Taxation	1998	1997
	£	£
UK corporation tax	(11,046)	52,422
Tax credits attributable to dividends received	5	6
Under- provision for prior years	271	-
Deferred taxation (note 8)	(1,224)	(766)
	<u>(11,994)</u>	<u>51,662</u>

4 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 October 1997	2,166,972	103,356	17,100	2,287,428
Additions	-	5,709	-	5,709
At 30 September 1998	<u>2,166,972</u>	<u>109,065</u>	<u>17,100</u>	<u>2,293,137</u>
Depreciation				
At 1 October 1997	-	55,655	11,754	67,409
Charge for the year	-	24,606	1,337	25,943
At 30 September 1998	<u>-</u>	<u>80,261</u>	<u>13,091</u>	<u>93,352</u>
Net book value				
At 30 September 1998	<u>2,166,972</u>	<u>28,804</u>	<u>4,009</u>	<u>2,199,785</u>
At 30 September 1997	<u>2,166,972</u>	<u>47,701</u>	<u>5,346</u>	<u>2,220,019</u>

Freehold land and buildings:	1998	1997
	£	£
Historical cost	473,739	473,739
Cumulative depreciation based on historical cost	-	-

The properties were valued at open market value by Aston Rose, Commercial Property Surveyors at 30th. September 1996.
No depreciation is provided on land and buildings since these are investment properties.

5 Investments

	Investments in subsidiary undertakings £	Other investments £	Total £
Cost			
At 1 October 1997	1	840	841
At 30 September 1998	<u>1</u>	<u>840</u>	<u>841</u>

The groups only subsidiary undertaking is the 100% owned Canonbury Wine Property Company Limited, a property investment company registered in England. The listed investments are shown at cost as this is not materially different from their market value.

CANONBURY LIMITED
Notes to the Accounts
for the year ended 30 September 1998

6 Debtors			1998	1997
			£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest			95,527	38,046
Prepayments and accrued income			325	355
Deferred taxation (Note 11)			4,442	3,218
Other debtors			96,309	47,357
			<u>196,603</u>	<u>88,976</u>
7 Creditors: amounts falling due within one year			1998	1997
			£	£
Bank loans and overdrafts			-	6,481
Trade creditors			12,050	20,172
Directors loan accounts			153,670	1,974
Accruals and deferred income			832	767
Corporation tax			-	51,803
Other taxes and social security costs			29,905	15,167
Other creditors			24,763	38,904
			<u>221,220</u>	<u>135,268</u>
8 Provisions for liabilities and charges			1998	1997
Deferred taxation:			£	£
At 1 October 1997			(3,218)	(2,452)
Finance lease -timing differences			805	1,584
Other timing differences			3,637	1,634
			<u>4,442</u>	<u>3,218</u>
At 30 September 1998			<u>4,442</u>	<u>3,218</u>
Released to profit and loss account (note 4)			<u>(1,224)</u>	<u>(766)</u>
9 Share capital			1998	1997
			£	£
Authorised:				
Ordinary shares of £1 each			<u>20,618</u>	<u>20,618</u>
	1998	1997	1998	1997
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	20,618	20,618	<u>20,618</u>	<u>20,618</u>
10 Other reserves			1998	1997
			£	£
Property revaluation reserve			1,405,348	1,405,348
Goodwill written off			(86,979)	(86,979)
			<u>1,318,369</u>	<u>1,318,369</u>
At 30 September 1998			<u>1,318,369</u>	<u>1,318,369</u>

CANONBURY LIMITED
Notes to the Accounts
for the year ended 30 September 1998

11 Profit and loss account

	1998 £	1997 £
At 1 October 1997	846,031	696,265
Retained profit	4,329	149,766
At 30 September 1998	<u>850,360</u>	<u>846,031</u>

12 Pension commitments

The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund and amounted to £ nil. (1997 £ nil)

13 Related parties

There were no material related party transactions as defined by FRS 8 during the year.