

ACCOUNTANTS REPORT TO THE MEMBERS OF
MAGNUM PROPERTIES (CORBY) LIMITED

We have examined without carrying out an Audit, the Accounts for the year ended 5 April 1996. Set out on pages 2 to 7.

As described on Page 1, the Company's Directors are responsible for the preparation of the Accounts, and they believe that the Company is exempt from an Audit. It is our responsibility to examine the Accounts and, based on our examination, to report our opinion, as set out below to the Shareholders.

We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practice Board. This examination consisted of comparing the accounts with the accounting records kept by the Company; and making such limited enquiries of the officers of the Company as we considered necessary for the purpose of this report.

In our opinion

- (a) The Accounts are in agreement with those accounting records kept by the Company under section 221 of the Companies Act 1985.
- (b) Having regard only to, and on the basis of the information contained in those accounting records, the Accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249c(4) of the act, and;
- (c) The Company specified in section 249a(4) of the act as modified by section 249a(5) and did not at any time within that year; fall within any of the categories of the Companies not entitled to the exemption specified in section 249(b).


Rugby

J Rowland-Jones FSCA FFCS FBSC FInstBA

24 April 1996



MAGNUM PROPERTIES (CORBY) LIMITED

Statement by the Directors on the Balance Sheet

In submitting these Accounts the Directors confirm that:

- (a) For the year ended 5 April 1996 the Company was entitled to the exemption from Audit conferred by subsection 1 of subsection 249a of the Companies Act 1985.
- (b) No notice has been deposited under subsection 2 of section 249b of the Companies Act 1985, in relation to its Accounts for the financial year.
- (c) The Directors acknowledge their responsibilities for:
 - 1. Ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - 2. Preparing Accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its Profit or Loss for the financial year in accordance with the requirements of section 226 Companies Act 1985, which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to the Company.


P J M Davies
DIRECTOR

REPORT OF THE DIRECTORS OF
MAGNUM PROPERTIES (CORBY) LIMITED

1.

The Directors present their Annual Report together with the Accounts of the Company for the year ended 5 April 1996.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was Property Development for the Freehold sale and lease.

RESULTS

The profit or loss for the year before taxation was (£33296). Full details of the results for the year are set out in the attached Profit and Loss Account leaving a balance to be brought forward of (£1189413).

DIVIDENDS

The Directors do not recommend the payment of a dividend in respect of year (1996).

CLOSE COMPANY

The Company is a Close Company within the meaning of the Income and Corporation Taxes Act 1970.

FIXED ASSETS

The Directors are of the opinion that the open market value of the freehold investment property is less than cost.

DIRECTORS

The Directors in office and their interest in the issued ordinary share capital were as follows:-

	<u>5 April 1996</u>	<u>5 April 1995</u>
	<u>Ordinary shares of</u>	<u>Ordinary shares of</u>
	<u>£1 each</u>	<u>£1 each</u>
P J M Davies	Nil	100,000

On behalf of board


P J M Davies
DIRECTOR

MAGNUM PROPERTIES (CORBY) LIMITED

2.

Balance Sheet as at 5 April 1996

	<u>Notes</u>	<u>1996</u> £	<u>1995</u> £
<u>Fixed Assets</u>			
<u>Tangible Assets</u>	2	562843	567125
<u>Current Assets</u>			
Debtors and Prepayments	4	34002	13990
Cash at bank and in hand		-	-
		-----	-----
		34002	13990
		-----	-----
<u>Creditors</u>	5		
Amounts falling due within one year		1686258	1637232
		-----	-----
		(1089413)	(1056117)
<u>Creditors</u>			
Amounts falling due after more than one year		-	-
		-----	-----
		(1089413)	(1,056117)
		-----	-----
<u>Capital and Reserves</u>			
Nominal Capital - ordinary shares of £1 each		250000	250000
		=====	=====
Called up share capital - 100,000 ordinary shares of £1 each		100,000	100,000
<u>Revenue Account</u>			
Balance b/f	(1156117)		
<u>Add</u> Loss for the year	(33296)	(1189413)	(1156117)
	-----	-----	-----
		(1089413)	(1156117)
		=====	=====

The Director's have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

 P J M DAVIES DIRECTOR

Approved by the Board

MAGNUM PROPERTIES (CORBY) LIMITED

3.

Profit and Loss Account for the year ended 5 April 1995

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Rents receivable	60000	45773
Bank interest	-	12
Miscellaneous receipts	-	500
	-----	-----
	60000	46285
	-----	-----
<u>Establishment Costs</u>	243	(902)
<u>Administration Costs</u>	713	8178
<u>Selling and Distribution Costs</u>	-	-
<u>Other Operating Costs</u>	500	1000
	-----	-----
	1456	8276
	-----	-----
<u>Exceptional Items</u>	-	498020
	-----	-----
	1456	506296
	-----	-----
	58544	(460011)
<u>Interest Payable</u>	87560	117664
	-----	-----
	(29016)	(577675)
<u>Depreciation Fixed Assets</u>	4280	5707
	-----	-----
	(332966)	(583382)
	=====	=====

Notes to the Accounts

5 April 1996

1. **ACCOUNTING POLICIES**

(a) **Basis of Accounting**

The Accounts have been prepared under the historical cost convention on a going concern basis, and in accordance with appropriate standards.

(b) **Turnover**

Turnover represents rents receivable.

(c) **Tangible Fixed Assets**

In accordance with Statement of Standard Accounting Practice No 19 no depreciation or amortisation is provided on the investment property. The exclusion from the financial accounts of depreciation of freehold buildings is a departure from the statutory accounting principles but is regarded by the Directors as necessary to give a true and fair view.

Depreciation is provided, so as to write off the cost of the assets over their estimated useful lives. The following annual rate has been used:-

Office Equipment	25% on written down value
Fixtures and Fittings	25% on written down value

(d) **Cash Flow Statement**

The Company is entitled to the exemptions available to small companies under the Companies Act 1985, and therefore no cashflow statement is included in the Accounts.

MAGNUM PROPERTIES (CORBY) LIMITED

5.

Notes to the Accounts (continued)**5 April 1996****2. Tangible Fixed Assets**

	<u>Office Equip</u>	<u>Fixtrs & Fittgs</u>	<u>Land & Building</u>	<u>Total</u>
B/f	6851	46446	550000	603297
<u>Depreciation:</u>				
Balance b/f	4704	31468	-	36172
Charge for the year	537	3745	-	4282
	5241	35213	-	40454
Book value as at 5.4.96	1610	11233	550000	562843
Book value as at 5.4.95	2147	14978	550000	567125

3. Stocks

The only available stock for re-sale were land and buildings at date of Balance Sheet.

4. Debtors

	<u>1996</u>	<u>1995</u>
Amounts falling due within one year		
Debtors	33283	13270
Prepayments	720	720
	34003	13990

Notes to the Accounts (continued)

5 April 1996

	<u>1996</u>	<u>1995</u>
5. <u>Creditors</u>		
Amounts falling due within one year		
Bank overdraft	93022	34713
Bank loan	109000	109000
Director's loan account	962027	813064
Trade and other creditors	25788	75455
First National Commercial Bank	141421	250000
National Westminster Bank	355000	355000
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	1686258	1637232
	-----	-----

6. Creditors

Amounts falling due after more than one year	nil	nil
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7. Deferred Taxation

No provision is provided to the extent that there is a reasonable possibility that the liability will not arise in the foreseeable future.

8. Called up share capital

	<u>Authorised</u>		<u>Allocated and fully paid</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
Ordinary shares of £1 each	250,000	250,000	100,000	100,000

9. <u>Turnover</u>	<u>1996</u>	<u>1995</u>
Rents receivable	60000	45773
Bank interest receivable	-	12
Miscellaneous receipts	-	500
	-----	-----
	60000	46285
	=====	=====

MAGNUM PROPERTIES (CORBY) LIMITED

7.

Notes to the Accounts (continued)

5 April 1995

	<u>1996</u>	<u>1995</u>
10. <u>Operating Loss on</u> <u>on ordinary activities</u> <u>before taxation</u>		

Loss on ordinary activity before
taxation is stated after charging
the following:

Depreciation fixed assets	4280	5707
Auditors remuneration	500	1000
Director's remuneration	-	-
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	4780	6707
	-----	-----

11. Interest Payable

Bank overdraft	9706	6356
Loans interest	30863	68477
Mortgage interest	46991	42831
	-----	-----
	87560	117664
	-----	-----

12. Staff numbers and cost

The average number of persons
employed by the Company (excluding
Directors) during the year was:

	nil	nil
Wages and salaries	nil	nil
Social Security costs	nil	nil

13. Director's Emoluments

Director's remuneration including
Social Security

nil	nil
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