

3103400

NC (RES) LIMITED
REPORT AND FINANCIAL STATEMENTS
PERIOD ENDED 31 MAY 1996



Saffery Champness
CHARTERED ACCOUNTANTS

DIRECTORS AND ADVISERS

Directors

T M Ginn
M J Chicken
E H Ross
A J Gordon
D R MacDonald

Secretaries

Park Circus (Secretaries) Ltd	(Appointed 13 September 1995)
B Reid	(Appointed and resigned 13 September 1995)

Registered Office

1 Portland Place
London
W1N 3AA

Auditors

Saffery Champness
40 Melville Street
Edinburgh
EH3 7TW

Bankers

The Royal Bank of Scotland Plc
7 Burlington Gardens
London
W1A 3DD

Anglo Irish Bank Corporation plc
55 Gracechurch Street
London
EC3V 0EE

Registered Number

3103400

DIRECTOR'S REPORT

The directors present their annual report and the audited financial statements for the period from incorporation on 13 September 1995 to 31 May 1996.

Statement of Director's Responsibilities in Respect of the Financial Statements

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit and 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.

Principal Activity

The principal activity of the Company is the provision and letting of residential property.

Results and Dividends

The loss for the period amounts to £43,601 after taxation and is dealt with as shown in the profit and loss account. The directors propose that no dividend be paid.

Directors

The directors who served during the period were as follows:

S Mabbott (appointed 13 September 1995, resigned 13 September 1995).
T M Ginn (appointed 13 September 1995)
M J Chicken (appointed 13 September 1995)
G L Campbell (appointed 13 September 1995, resigned 13 October 1995)
E H Ross (appointed 13 September 1995)
A J Gordon (appointed 13 September 1995)
D R Macdonald (appointed 13 September 1995)

None of the directors had any interest in the share capital of the company during the period.

DIRECTOR'S REPORT (Continued)

Auditors

Saffery Champness have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the General Meeting.

Small Companies

Advantage has been taken, in the preparation of this report, of special exemptions available to small companies.

By order of the Board



Park Circus (Secretaries) Ltd
Secretaries

28 February, 1997

REPORT OF THE AUDITORS
to the shareholders

We have audited the financial statements on pages 5 to 10.

Respective Responsibilities of Directors and Auditors

As described on page 2 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 financial 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 affairs of the company as at 31 May 1996 and of its deficit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditors
Edinburgh

28 February, 1997

PROFIT AND LOSS ACCOUNT
for the period to 31 May 1996

		Period ended 31 May 1996
	Notes	
TURNOVER	2	262,259
Cost of Sales		<u>(82,873)</u>
GROSS PROFIT		179,386
Administration expenses		<u>(137,275)</u>
OPERATING PROFIT		42,111
Interest receivable		5,864
Interest payable	5	<u>(91,576)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(43,601)
Taxation	6	-
LOSS FOR THE PERIOD	12	<u>£(43,601)</u>

All amounts relate to continuing activities.

There are no material differences between historical cost result and the result reported for the period.

The notes on pages 8 to 10 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the period ended 31 May 1996

	1996
Loss for the period	(43,601)
Unrealised surplus on revaluation of properties	<u>30,400</u>
Total recognised gains and losses relating to the period	<u>£(13,201)</u>

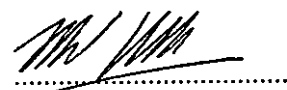
The notes on pages 8 to 10 form part of these financial statements.

BALANCE SHEET
at 31 May 1996

	Notes	1996
FIXED ASSETS		
Tangible assets	7	6,144,268
CURRENT ASSETS		
Debtors	8	151,081
Cash at bank and in hand		<u>191,814</u>
		342,895
CREDITORS:		
Amounts falling due within one year	9	<u>(3,733,034)</u>
NET CURRENT LIABILITIES		(3,390,139)
CREDITORS:		
Amounts falling due in more than one year	10	<u>(2,767,328)</u>
		<u>£(13,199)</u>
CAPITAL AND RESERVES		
Called up share capital	11	2
Profit and loss account	12	(43,601)
Revaluation reserve	13	<u>30,400</u>
SHAREHOLDERS FUNDS - EQUITY	14	<u>£(13,199)</u>

Advantage has been taken, in the exemption of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company under Section 247 of the Companies Act 1985.

Approved by the Board of Directors on 28 February 1997.


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Director

The notes on pages 8 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
at 31 May 1996

1. **Accounting Policies**

Basis of Preparation

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards. They cover the period from 13 September 1995 to 31 May 1996.

Tangible Fixed Assets

Properties are revalued by directors in conjunction with external professional valuers, on the basis of open market value with vacant possession. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost is expected to be permanent, in which case it is recognised in the profit and loss account for the year. Cost of properties comprises direct costs and attributable overheads incurred until the property is occupied, including any costs of finance utilised.

Turnover

Letting income is accounted for on an accruals basis.

Deferred taxation

Provision is made, using the liability method, for taxation in respect of items where there is a timing difference between their treatment for accounts and taxation purposes if it is probable that a material tax liability or asset will crystallise in the foreseeable future.

2. **TURNOVER**

Turnover comprises primarily amounts receivable from letting activities for the period, wholly within the United Kingdom.

3. **LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

This is stated after charging/(crediting):-

	1996
Compensation (included in turnover)	£(29,835)
Director's remuneration	-
Loss on disposal of properties	<u>£9,922</u>

4. **STAFF COSTS AND NUMBERS**

The company has no employees.

NOTES TO THE FINANCIAL STATEMENTS - Continued
at 31 May 1996

5. INTEREST PAYABLE 1996

Repayable within 5 years, not by instalments - Bank loan interest	<u>£91,576</u>
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6. TAXATION

There is no tax charge based on the result for the period.

7. TANGIBLE FIXED ASSETS

	Freehold Properties	Leasehold Properties	Fixtures and Fittings	Total
COST/REVALUATION				
Additions at cost	6,112,525	9,500	47,843	6,169,868
Disposals	(56,000)	-	-	(56,000)
Revaluation of property	30,400	-	-	30,400
At 31 May 1996	<u>6,086,925</u>	<u>9,500</u>	<u>47,843</u>	<u>6,144,268</u>
DEPRECIATION				
Charge for year	-	-	-	-
At 31 May 1996	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE				
At 31 May 1996	<u>£6,086,925</u>	<u>£9,500</u>	<u>£47,843</u>	<u>£6,144,268</u>

The freehold properties have been valued at 31 May 1996 on the basis of open market value with vacant possession by various independent, qualified property valuers.

8. DEBTORS 1996

Trade debtors	47,916
Other debtors	46,963
Prepayments & accrued income	56,202
	<u>£151,081</u>

NOTES TO THE FINANCIAL STATEMENTS - Continued
at 31 May 1996

9. **CREDITORS: amounts falling due within one year**

1996

Amounts due to Group undertakings	3,620,373
Other creditors	47,376
Accruals & deferred income	65,285
	<u>£3,733,034</u>

10. **CREDITORS: amounts falling due in more than one year**

Bank loan	<u>£2,767,328</u>
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The bank loan is secured by the shares and property assets of the company. The loan is not repayable within one year provided the loan terms and conditions are fully adhered to.

11. **CALLED UP SHARE CAPITAL - EQUITY**

1996

Authorised:	
100 ordinary shares of £1 each	<u>£100</u>
Allotted, called up and fully paid:	
2 ordinary shares of £1 each	<u>£2</u>

12. **PROFIT AND LOSS ACCOUNT**

Retained loss for the period	<u>£(43,601)</u>
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13. **REVALUATION RESERVE**

At 31 May 1996	<u>£30,400</u>
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14. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

Loss for the financial year	(43,601)
Ordinary share capital issued	2
Revaluation of property	<u>30,400</u>
Net addition to shareholders' funds	(13,199)
Opening shareholders' funds	-
Closing shareholders' funds	<u>£(13,199)</u>

15. **CAPITAL COMMITMENTS**

The company has no capital commitments.

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