

3173146

**REPORT OF THE DIRECTOR AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999  
FOR  
STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

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**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

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FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

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**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**COMPANY INFORMATION  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**DIRECTOR:** Mr L Kerans

**SECRETARY:** Mr M Booth

**REGISTERED OFFICE:** 11 Warwick Road  
Old Trafford  
Manchester  
M16 0QQ

**REGISTERED NUMBER:** 3173146

**AUDITORS:** TFD Dunhams  
Chartered Accountants  
11 Warwick Road  
Old Trafford  
Manchester  
M16 0QQ

**SOLICITORS:** Paul Ross & Company  
Alberton House  
The Parsonage  
Manchester  
M3 2WJ

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**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**REPORT OF THE DIRECTOR  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

The director presents his report with the financial statements of the company for the period 1 July 1999 to 31 December 1999.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of rating valuation consultants.

The company's subsidiary provides least cost routing telecommunications.

**REVIEW OF BUSINESS**

The results for the period and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

An interim dividend of £4 per share was paid on 31 December 1999. The director recommends that no final dividend be paid.

The total distribution of dividends for the period ended 31 December 1999 will be £40,000.

**EVENTS SINCE THE END OF THE PERIOD**

Information relating to events since the end of the period is given in the notes to the financial statements.

**DIRECTORS**

The directors during the period under review were:

Mr J Stenson	- resigned 30.9.99
Mr L Kerans	- appointed 30.9.99

The director holding office at 31 December 1999 did not hold any beneficial interest in the issued share capital of the company at date of appointment or 31 December 1999.

Mr L Kerans was appointed on 30 September 1999

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

Company law requires the director 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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

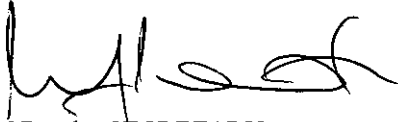
**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**REPORT OF THE DIRECTOR  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**AUDITORS**


The auditors, TFD Dunhams, will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



Mr M Booth - SECRETARY

Dated: 29 June 2001

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STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF  
STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED

We have audited the financial statements of Strattons and Co (Consultants Surveyors) Limited for the period ended 31 December 1999 on pages five to fourteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

**Respective responsibilities of director and auditors**

As described on page two the company's director is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Director is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Report of the Director and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 director 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 1999 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*TFD Dunham*

TFD Dunhams  
Chartered Accountants  
11 Warwick Road  
Old Trafford  
Manchester  
M16 0QQ

Dated: 29 June 2001

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

		Period 1.7.99 to 31.12.99	Year Ended 30.6.99
	Notes	£	£
<b>TURNOVER</b>		2,404,217	6,533,436
Cost of sales		923,788	3,061,290
<b>GROSS PROFIT</b>		1,480,429	3,472,146
Administrative expenses		1,434,258	2,809,218
<b>OPERATING PROFIT</b>	3	46,171	662,928
Interest receivable and similar income		44,768	76,190
		90,939	739,118
Interest payable and similar charges	4	116	1,240
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		90,823	737,878
Tax on profit on ordinary activities	5	110,000	242,270
<b>(LOSS)/PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>		(19,177)	495,608
Dividends	6	40,000	-
		(59,177)	495,608
Retained profit brought forward		905,531	409,923
<b>RETAINED PROFIT CARRIED FORWARD</b>		£846,354	£905,531

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current period or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the current period and the profit for the previous year.

The notes form part of these financial statements

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**BALANCE SHEET  
31 DECEMBER 1999**

		1999		1999	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	7		149,214		157,585
Investments	8		1,020,378		1,020,378
			<u>1,169,592</u>		<u>1,177,963</u>
<b>CURRENT ASSETS:</b>					
Debtors	9	231,023		242,295	
Cash at bank		1,740,113		1,678,081	
		<u>1,971,136</u>		<u>1,920,376</u>	
<b>CREDITORS:</b> Amounts falling due within one year	10	2,284,374		2,182,808	
<b>NET CURRENT LIABILITIES:</b>			<u>(313,238)</u>		<u>(262,432)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£856,354</u>		<u>£915,531</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	11		10,000		10,000
Profit and loss account			846,354		905,531
<b>SHAREHOLDERS' FUNDS:</b>	13		<u>£856,354</u>		<u>£915,531</u>

**ON BEHALF OF THE BOARD:**



Mr L Kerans - DIRECTOR

Approved by the Board on 29 June 2001



**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**CASH FLOW STATEMENT  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

		Period 1.7.99 to 31.12.99	Year Ended 30.6.99
	Notes	£	£
<b>Net cash inflow from operating activities</b>	1	80,693	1,875,447
<b>Returns on investments and servicing of finance</b>	2	44,652	74,950
<b>Taxation</b>		-	(377,431)
<b>Capital expenditure and financial investment</b>	2	(22,000)	(554,500)
<b>Equity dividends paid</b>		(40,000)	-
		<b>63,345</b>	<b>1,018,466</b>
<b>Financing</b>	2	(1,313)	(60,048)
<b>Increase in cash in the period</b>		<b>£62,032</b>	<b>£958,418</b>
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
<b>Increase in cash in the period</b>		<b>62,032</b>	<b>958,418</b>
<b>Change in net funds resulting from cash flows</b>		<b>62,032</b>	<b>958,418</b>
<b>Movement in net funds in the period</b>		<b>62,032</b>	<b>958,418</b>
<b>Net funds at 1 July</b>		<b>1,678,081</b>	<b>719,663</b>
<b>Net funds at 31 December</b>		<b>£1,740,113</b>	<b>£1,678,081</b>

The notes form part of these financial statements

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
Operating profit	46,171	662,928
Depreciation charges	30,371	56,203
Profit on sale of fixed assets	-	(2,206)
Decrease in debtors	11,272	196,565
(Decrease)/Increase in creditors	(7,121)	961,957
	<u>80,693</u>	<u>1,875,447</u>
<b>Net cash inflow from operating activities</b>	<u><u>80,693</u></u>	<u><u>1,875,447</u></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
<b>Returns on investments and servicing of finance</b>		
Interest received	44,768	76,190
Interest paid	(116)	(1,240)
	<u>44,652</u>	<u>74,950</u>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<u><u>44,652</u></u>	<u><u>74,950</u></u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(22,000)	(117,500)
Cash payments - investmt purch	-	(500,000)
Sale of tangible fixed assets	-	63,000
	<u>(22,000)</u>	<u>(554,500)</u>
<b>Net cash outflow for capital expenditure</b>	<u><u>(22,000)</u></u>	<u><u>(554,500)</u></u>
<b>Financing</b>		
Loan repayments in year	-	(60,048)
Amount withdrawn by directors	(1,313)	-
	<u>(1,313)</u>	<u>(60,048)</u>
<b>Net cash outflow from financing</b>	<u><u>(1,313)</u></u>	<u><u>(60,048)</u></u>

The notes form part of these financial statements

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.7.99 £	Cash flow £	At 31.12.99 £
Net cash:			
Cash at bank	1,678,081	62,032	1,740,113
	<u>1,678,081</u>	<u>62,032</u>	<u>1,740,113</u>
 Total	 <u>1,678,081</u>	 <u>62,032</u>	 <u>1,740,113</u>
<b>Analysed in Balance Sheet</b>			
 Cash at bank	 1,678,081		 1,740,113
	<u>1,678,081</u>		<u>1,740,113</u>

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**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% to 33% on cost
Motor vehicles	- 25% on cost

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

**Consolidation**

The company and its subsidiary comprise of a medium sized group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

These accounts present information about the company as an individual undertaking and not about its group.

**2. STAFF COSTS**

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
Wages and salaries	669,140	1,317,158
Other pension costs	-	44,900
	<u>669,140</u>	<u>1,362,058</u>

The average monthly number of employees during the period was as follows:

	Period 1.7.99 to 31.12.99	Year Ended 30.6.99
Administration	18	20
Sales	90	92
	<u>108</u>	<u>112</u>

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
Depreciation - owned assets	30,371	56,203
Profit on disposal of fixed assets	-	(2,206)
Auditors' remuneration	4,000	6,429
	<u>41,577</u>	<u>318,847</u>
Directors' emoluments	<u>41,577</u>	<u>318,847</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
Bank interest	<u>116</u>	<u>1,240</u>

**5. TAXATION**

The tax charge on the profit on ordinary activities for the period was as follows:

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
UK corporation tax	110,000	238,000
Over/under tax provision	-	4,270
	<u>110,000</u>	<u>242,270</u>

UK corporation tax has been charged at 30% (1999 - 30%).

**6. DIVIDENDS**

	Period 1.7.99 to 31.12.99 £	Year Ended 30.6.99 £
Equity shares: Interim	<u>40,000</u>	<u>-</u>

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**7. TANGIBLE FIXED ASSETS**

	Fixtures and fittings	Motor vehicles	Totals
	£	£	£
<b>COST:</b>			
At 1 July 1999	37,504	192,098	229,602
Additions	-	22,000	22,000
	<u>37,504</u>	<u>214,098</u>	<u>251,602</u>
At 31 December 1999	37,504	214,098	251,602
<b>DEPRECIATION:</b>			
At 1 July 1999	16,778	55,239	72,017
Charge for period	4,067	26,304	30,371
	<u>20,845</u>	<u>81,543</u>	<u>102,388</u>
At 31 December 1999	20,845	81,543	102,388
<b>NET BOOK VALUE:</b>			
At 31 December 1999	<u>16,659</u>	<u>132,555</u>	<u>149,214</u>
At 30 June 1999	<u>20,726</u>	<u>136,859</u>	<u>157,585</u>

**8. FIXED ASSET INVESTMENTS**

	£
<b>COST:</b>	
At 1 July 1999 and 31 December 1999	<u>1,020,378</u>
<b>NET BOOK VALUE:</b>	
At 31 December 1999	<u>1,020,378</u>
At 30 June 1999	<u>1,020,378</u>
	1999
	£
Investments listed on recognised stock exchange	<u>1,020,378</u>
	1999
	£
	<u>1,020,378</u>

Market value of listed investments at 31 December 1999 - £1,531,525 (1999 - £1,125,526).

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**8. FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

**Stratcomm**

Nature of business: Telecommunications

Class of shares:	% holding
Ordinary	100.00

	1999 £	1999 £
Aggregate capital and reserves	-	(336,266)
Loss for the period/year	-	(336,366)

**9. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1999 £	1999 £
Trade debtors	39,405	152,551
Other debtors	-	31,036
Prepayments	20,950	53,708
C.S.V loan account	140,668	-
Staff loan account	-	5,000
Please Hold UK	30,000	-
	<u>231,023</u>	<u>242,295</u>

**10. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1999 £	1999 £
Trade creditors	88,063	208,400
Directors current accounts	15,964	17,277
Net wages control	11,639	44,427
Other creditors	48,458	48,458
V.A.T.	163,136	273,363
Social security & other taxes	25,984	50,815
Taxation	348,000	238,000
Accrued expenses	1,583,130	1,302,068
	<u>2,284,374</u>	<u>2,182,808</u>

**STRATTONS AND CO (CONSULTANTS SURVEYORS)  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 1999 TO 31 DECEMBER 1999**

**11. CALLED UP SHARE CAPITAL**

Authorised:		Nominal value:	1999	1999
Number:	Class:		£	£
100,000	Ordinary shares	1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:		Nominal value:	1999	1999
Number:	Class:		£	£
10,000	Ordinary shares	1	<u>10,000</u>	<u>10,000</u>

**12. POST BALANCE SHEET EVENTS**

On the 31 January 2000 the company transferred its trading activities to C.V.S. (Commercial Valuers and Surveyors) Ltd. The assets and liabilities of the company were transferred to C.V.S. (Commercial Valuers and Surveyors) Ltd at their net book value on 31 January 2000.

On 26 January 2000 the company repurchased 7,000 shares from Mr J Stenson at a value of £200 per share.

**13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1999	1999
	£	£
(Loss)/Profit for the financial period	(19,177)	495,608
Dividends	(40,000)	-
Issue of shares		
<b>Net (reduction)/addition to shareholders' funds</b>	<u>(59,177)</u>	<u>495,608</u>
Opening shareholders' funds	<u>915,531</u>	<u>419,923</u>
<b>Closing shareholders' funds</b>	<u>856,354</u>	<u>915,531</u>
 Equity interests	 <u>856,354</u>	 <u>915,531</u>

**14. ULTIMATE CONTROLLING PARTY**

The whole of the issued share capital of the company is held by Mr J Stenson who is considered to be the controlling party of the company.