

**GOLDROCK ESTATES LIMITED**

(Registration Number 3206096)

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED**

**31 MAY 1997**



**GOLDROCK ESTATES LIMITED**  
**PERIOD ENDED 31 MAY 1997**

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**GOLDROCK ESTATES LIMITED**  
**DIRECTOR'S REPORT**  
**PERIOD ENDED 31 MAY 1997**

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The director presents his first report and accounts for the period from incorporation on 16 May 1996 to 31 May 1997.

**PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The principal activity of the company is that of property management.

The results are shown in the profit and loss account on page 4. The director does not recommend payment of a dividend.

**DIRECTOR'S INTEREST**

The director who held office in the period and his interest in the ordinary share capital of the company at the end of the period was as follows:

	1997
	No.
D P Hartley	<u>100</u>
	<u>100</u>

On 1 June 1997, G.D.H. Properties Plc, a company registered in England under registration number 3335082, acquired 100 ordinary £1 shares from Mr D.P. Hartley and Goldrock Estates Limited became a wholly owned subsidiary of G.D.H. Properties Plc.

**DIRECTOR'S 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 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;
- \* state whether applicable accounting policies have been followed, subject to any material departures disclosed and explained in the financial statements.
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**GOLDROCK ESTATES LIMITED**  
**DIRECTOR'S REPORT**  
**PERIOD ENDED 31 MAY 1997**

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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.

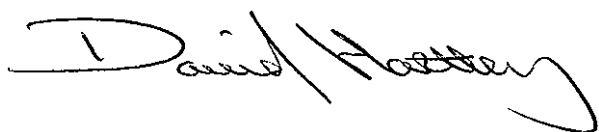
**SMALL COMPANY EXEMPTIONS**

In preparing the director's report, the director has taken advantage of the special exemptions conferred by the Part II of Schedule 8 to the Companies Act 1985 on the basis that, in his opinion, the company qualifies as a small company.

**APPOINTMENT OF AUDITORS**

In accordance with Section 385 Companies Act 1985 a resolution is to be proposed for the re-appointment of M/s Shahabuddin & Co as auditors to the company in the Annual General Meeting.

**BY ORDER OF THE BOARD**

A handwritten signature in dark ink, appearing to read 'D P Hartley', with a stylized flourish at the end.

D P Hartley  
*Director*

4 June 1998

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
GOLDROCK ESTATES LIMITED**

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We have audited the financial statements on pages 4 to 7 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 pages 1 and 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 May 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



SHAHABUDDIN & CO  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

Lombard Chambers  
Ormond Street  
Liverpool L3 9NA

4 June 1998

**GOLDROCK ESTATES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**PERIOD ENDED 31 MAY 1997**

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	Note	1997 £
Turnover from continuing operations	2	12,200
Administrative expenses		<u>(9,849)</u>
Profit on ordinary activities before taxation from continuing operations		2,351
Taxation	4	<u>(580)</u>
Profit on ordinary activities after taxation taken to reserve		<u><u>1,771</u></u>

The company had no recognised gains or losses other than the profit for the period.

**GOLDROCK ESTATES LIMITED**  
**BALANCE SHEET AS AT 31 MAY 1997**

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	Note	£	1997 £
<b>FIXED ASSETS</b>	3		213,431
<b>CURRENT ASSETS</b>			
Debtors	5	10,000	
Cash at bank		<u>295</u>	10,295
<b>CURRENT LIABILITIES</b>			
Creditors due within one year	6	<u>(134,082)</u>	
Net current liabilities			<u>(123,787)</u>
<b>CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR</b>			89,644
Mortgage	7		<u>(87,773)</u>
Net assets			<u><u>1,871</u></u>
<b>CAPITAL AND RESERVES</b>			
Issued share capital	8		100
Profit and loss account			<u>1,771</u>
			<u><u>1,871</u></u>

The director has taken advantage of special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in his opinion, the company qualifies as a small company.

These financial statements were approved by the board of directors on 4 June 1998 and were signed on its behalf by:



D P Hartley  
Director

**GOLDROCK ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 MAY 1997**

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**1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

*Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

*Cash flow statement*

The company is exempt from the requirement of Financial Reporting Standard No1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 249 of the Companies Act 1985.

*Depreciation*

No depreciation is provided on the freehold properties as the director is of the opinion that the current market value of the properties is in excess of the value shown in the balance sheet, although no professional valuation has been obtained.

*Taxation*

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation only to the extent that it is probable that the actual liability will crystallise.

*Turnover*

Turnover represents the amounts derived from the rental income during the period.

**2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES**

Turnover and profit on ordinary activities is attributable to the company's principal activity.

**3. FIXED ASSETS**

	Property 60 Croxteth Rd	Property 9 Sandringham	Total
	£	£	£
Cost at 16 May 1996	92,371	36,037	128,408
Improvements	-	85,023	85,023
Cost at 31 May 1997	<u>92,371</u>	<u>121,060</u>	<u>213,431</u>



**GOLDROCK ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 MAY 1997**

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4. TAXATION	1997
	£
UK corporation Tax	<u>580</u>

5. DEBTORS	1997
	£
Rental Income	<u>10,000</u>

6. CREDITORS DUE WITHIN ONE YEAR	1997
	£
Related undertakings - G.D.H. Property Maintenance Ltd	87,773
Director's current account	44,907
Corporation Tax	580
Accruals	<u>822</u>
	<u>134,082</u>

7. CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR	1997
	£
Mortgage	<u>87,773</u>

The company borrowed £87,773.25 from the Homeowners Association, a company limited by guarantee, whose registered office is at 19 Castle Street, Liverpool on 15 November 1996 on the security of the assets of Gold Rock Estates Limited, at a rate of 4% above the base rate with no fixed repayment terms.

8. SHARE CAPITAL	1997
	£
1,000 Ordinary £1 Shares - authorised	<u>1,000</u>
100 ordinary £1 shares	
Issued, called up and fully paid	<u>100</u>

9. No comparative figures are given as this is the first period of trading

10. POST BALANCE SHEET EVENTS

On 1 June 1997, G.D.H. Properties Plc, a company registered in England under registration number 3335082, acquired 100 ordinary £1 shares from Mr D.P. Hartley and Goldrock Estates Limited became a wholly owned subsidiary of G.D.H. Properties Plc.