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IDEAL ESTATES (BELFAST) LIMITED

MODIFIED FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 1999

DEPARTMENT OF ENTERPRISE
TRADE AND INVESTMENT

14 JUN 2000

POST REG
COMPANY

REGISTERED

16 JUN 2000

DB

**AUDITORS' REPORT TO THE DIRECTORS OF IDEAL ESTATES
(BELFAST) LIMITED
PURSUANT TO PARAGRAPH 10 OF SCHEDULE 8 TO THE COMPANIES
(NORTHERN IRELAND) ORDER 1986**

We have examined the modified accounts on pages 2 to 7 together with the full financial statements of Ideal Estates (Belfast) Limited for the year ended 30 September 1999. The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to deliver modified accounts and that the modified accounts have been properly prepared from the full financial statements.

In our opinion, the directors are entitled under Article 255 to 257 of the Companies (Northern Ireland) Order 1986 to deliver modified accounts in respect of the year ended 30 September 1999 and the modified accounts on pages 2 to 7 have been properly prepared in accordance with Schedule 8 to that Order.

On 19 April 2000 we reported as auditors of Ideal Estates (Belfast) Limited to the members on the full financial statements prepared under Article 244 of the Companies (Northern Ireland) Order 1986 for the year ended 30 September 1999 and our audit report is stated on the following page.


W J MISCAMPBELL & CO
Chartered Accountants & Registered Auditor

07 June 2000

IDEAL ESTATES (BELFAST) LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

FOR THE YEAR ENDED 30 SEPTEMBER 1999

We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting accounting policies set out in note 1.

Respective responsibilities of directors and auditors

As described in the Directors' Report, 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 30 SEPTEMBER 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.

W. J. MISCAMPBELL & CO.
Chartered Accountants & Registered Auditor

6 Annadale Avenue
Belfast
BT7 3JH

19 APRIL 2000

IDEAL ESTATES (BELFAST) LIMITEDMODIFIED BALANCE SHEET AS AT 30 SEPTEMBER 1999

	<u>1999</u>	<u>1998</u>
	£	£
FIXED ASSETS	300	420
Tangible Assets	<u>108,744</u>	<u>74,014</u>
Investments	<u>109,044</u>	<u>74,434</u>
CURRENT ASSETS	254,651	93,451
Stocks	45,000	15,000
Debtors	165	300
Prepayments and accrued income	-	50,969
Cash at bank and on hand	<u>299,816</u>	<u>159,720</u>
CURRENT LIABILITIES	(209,729)	(51,473)
Creditors falling due within one year		
	<u>90,087</u>	<u>108,247</u>
NET CURRENT ASSETS	199,131	182,681
TOTAL ASSETS LESS CURRENT LIABILITIES		
	(12,156)	(12,156)
PROVISIONS FOR LIABILITIES AND CHARGES	<u>186,975</u>	<u>170,525</u>
NET ASSETS		
CAPITAL & RESERVES	20,000	20,000
Called up share capital	<u>166,975</u>	<u>150,525</u>
Revenue Reserves	<u>186,975</u>	<u>170,525</u>

We have relied on the exemptions for individual accounts on the grounds that the company is entitled to the benefits of these exemptions as a "Small Company" as defined in Articles 255 to 257 Companies (Northern Ireland) Order 1986.

.....) Directors
)

N.I. 6132

IDEAL ESTATES (BELFAST) LIMITEDNOTES TO THE FINANCIAL STATEMENTS**1 PRINCIPAL 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.

Turnover

Turnover is represented by sales of properties and rental income.

Fixed Assets and Depreciation

Fixed assets are stated at cost, less accumulated depreciation. Depreciation is calculated to write off the cost of the fixed assets over the period of their useful lives, the principal rates being as follows :-

Tenant Improvement	10% Straight Line
Fixtures and Fittings	20% Straight Line

Investments

Investments in the nature of fixed assets are recorded at cost.

Stock

Stock is valued at cost or, if lower, at net realisable value. Provision is made for any items of slow moving or obsolete stock.

Deferred Tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of the difference between the net book value and the tax written down value of tangible fixed assets qualifying for capital allowances. No provision for deferred taxation is made if there is reasonable evidence that such deferred taxation will not arise in the foreseeable future.

IDEAL ESTATES (BELFAST) LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SHARE CAPITAL

	<u>1999</u>	<u>1998</u>
	£	£
<u>Authorised:</u>		
Ordinary shares of £1 per share	10,000	10,000
5% Preference shares of £1 per share	10,000	10,000
<u>Allotted and fully paid:</u>		
Ordinary shares of £1 per share	10,000	10,000
Preference shares of £1 per share	10,000	10,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 FIXED ASSET INVESTMENTS

Fixed asset investment represent shares in other companies

	1999	1998
	----	----
	£	£
Total investment at cost	108,744	74,014
	=====	=====

	Listed	Unlisted	Total
	-----	-----	-----
	£	£	£
Investment in unrelated companies at cost:-			
At 30/09/98	68,984	5,030	74,014
Additions	75,219	-	75,219
Disposals	(40,489)	-	(40,489)
	-----	-----	-----
At 30/09/99	103,714	5,030	108,744
	=====	=====	=====

Market Value of listed investments		95,755
At 30/09/99		=====

4 TANGIBLE FIXED ASSETS

	At Beginning of Year	Additions	Disposal	At End of Year
	-----	-----	-----	-----
	£	£	£	£
Cost or Valuation	7,251	-	-	7,251
	=====	=====	=====	=====
	At Beginning of Year	Charge for Year	Eliminated on Disposal	At End of Year
	-----	-----	-----	-----
	£	£	£	£
Depreciation	6,831	120	-	6,951
	=====	=====	=====	=====
	At Beginning of Year			At End of Year
	-----			-----
	£			£
Net Book Value	420			300
	=====			=====

IDEAL ESTATES (BELFAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 RELATED PARTY TRANSACTIONS

- i) The company is controlled by Mr M Johnston and family who own 50% of the share capital of the company and also control the J & M Trust Limited, which owns the other 50% of the company's shares.
- ii) The company directors have given personal guarantees of £15,000 to the bank in respect of the company's overdraft facility.
- iii) At the balance sheet date there is an outstanding loan due to J & M Trust Limited, a related company amounting to £25,000 (1998: £320).
- iv) At the balance sheet date there is an outstanding loan due to Mrs C Jackson for £27,525 (1998: £10,000) and Mrs Childs for £34,000 (1998: £10,000). Mrs Jackson and Mrs Childs are daughters of Mr J Johnston and Mrs M A M Johnston directors of the company.