

SANDFIELD SECURITIES LIMITED

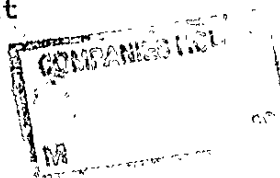
Haslington Hall
Haslington
Crewe
Cheshire
CW1 1RX

S T A T E M E N T O F A C C O U N T S

For the Year Ended
31 December 1990

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O f f i c e r s

DIRECTORS

A J Vernon
N Hassall FCCA

SECRETARY

N Hassall FCCA

AUDITORS

Astbury & Co
196 Nantwich Road
Crewe
Cheshire
CW2 6BP

BANKERS

National Westminster Bank PLC
53-55 Nantwich Road
Crewe
Cheshire
CW2 6AR

REGISTERED OFFICE

Haslington Hall
Haslington
Crewe
Cheshire
CW1 1RX

SANDFIELD SECURITIES LIMITED

R e p o r t o f t h e D i r e c t o r s

The Directors submit their annual report and audited accounts for the year ended 31 December 1990.

RESULTS AND DIVIDENDS

The trading loss for the year after taxation was £8342. The Directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The principal activity of the Company during the year was that of providing financial and management services. During the year the company expanded its trading activities to include yacht chartering.

FIXED ASSETS

Movements in Fixed Assets are shown in note 5 to the accounts.

INVESTMENT PROPERTY

It is the Directors opinion based on open market prices that the investment properties present values are in excess of £240000. A professional revaluation will be made of the properties during the ensuing year.

DIRECTORS AND THEIR INTERESTS

The Directors at 31 December 1990 and their interests in the share capital of the Company at the beginning and end of the year were as follows:-

	31.12.90	1.1.90
	£1 Ordinary Shares	£1 Ordinary Shares
A J Vernon	99	99
N Hassall	<u>1</u>	<u>1</u>
	100	100
	===	===

FUTURE DEVELOPMENTS

The Directors anticipate that 1991 will be a year of successful trading and their aim is to maintain the management policies which have strengthened the Company in recent years.

EVENTS SINCE THE END OF THE YEAR

The directors do not consider that there have been any significant events since the year end which would significantly affect these financial statements.

CLOSE COMPANY STATUS

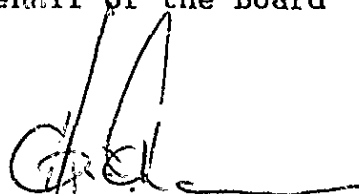
The Directors are advised that the Company is a 'Close Company' as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The Auditors, Messrs Astbury & Co are willing to continue in office and offer themselves for re-election in accordance with Section 384 of the Companies Act 1985.

On Behalf of the Board

Registered Office
Haslington Hall
Haslington
Crewe
Cheshire
CW1 1RX


CHAIRMAN

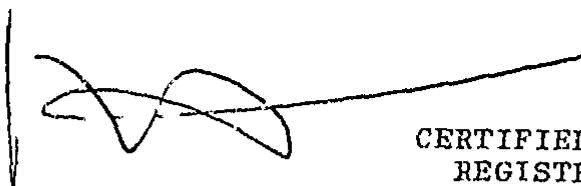
5 November 1991

R e p o r t o f t h e A u d i t o r s

We have audited the financial statements on pages 4 to 9. Our audit was conducted in accordance with Auditing Standards.

In our opinion these financial statements give a true and fair view of the state of the Company's affairs at 31 December 1990 and of the result and source and application of funds for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.

196 NANTWICH ROAD
CREWE
CHESHIRE
CW2 6BP



ASTBURY & CO
CERTIFIED ACCOUNTANTS
REGISTERED AUDITORS

5 NOVEMBER 1991

SANDFIELD SECURITIES LIMITED

Profit and Loss Account

For the Year Ended 31 December 1990

	NOTES	£	1989 £
TURNOVER	2	71211	453220
LESS Administration Expenses		<u>73455</u>	<u>6184</u>
OPERATING (LOSS) PROFIT		(2244)	447036
LESS INTEREST PAYABLE			
Loan Interest		6452	4620
Bank Interest		<u>596</u>	<u>82</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(9292)	442334
Tax on (loss)/Profit on Ordinary Activities	4	<u>(950)</u>	<u>33050</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(8342)	409284
RETAINED PROFIT BROUGHT FORWARD		<u>591896</u>	<u>182612</u>
RETAINED PROFIT CARRIED FORWARD		583554	591896
		=====	=====

THE NOTES ON PAGES 7 TO 10 FORM PART OF THESE ACCOUNTS

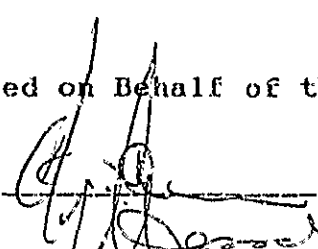
SAN LILLO SECURITIES LIMITED

Balance Sheet

As at 31 December 1990

	NOTES	£	£	1989 £	£
FIXED ASSETS					
Tangible Assets	5		594205		-
Investment in Property					
At Cost		142077		120912	
At Valuation		<u>31000</u>		<u>31000</u>	
Investments	6		173077		151912
Unquoted Shares		22176		22176	
Subsidiary Companies	7	<u>5302</u>		<u>5302</u>	
			<u>27478</u>		<u>27478</u>
			794760		179390
CURRENT ASSETS					
Stock		3000		-	
Cash and Bank		1042		23116	
Sundry Debtors & Interest					
Accrued		58695		187212	
Loan Debtors	8	<u>194986</u>		<u>466733</u>	
		257723		677061	
CURRENT LIABILITIES (Creditors Falling Due Within One Year)	9	<u>424496</u>		<u>252222</u>	
NET CURRENT ASSETS			(166773)		<u>424839</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			627987		604229
PROVISION FOR LIABILITIES AND CHARGES					
Deferred Taxation	10		<u>32100</u>		-
NET ASSETS			595887		604229
Financed By:-			=====		=====
CALLED UP SHARE CAPITAL	11		100		100
REVALUATION RESERVE	12		12233		12233
PROFIT AND LOSS ACCOUNT			<u>583554</u>		<u>591896</u>
			595887		604229
			=====		=====

Signed on Behalf of the Board



A J VERNON

N HASSALL

THE NOTES ON PAGES 7 TO 10 FORM PART OF THESE ACCOUNTS

SANDFIELD SECURITIES LIMITED

Source and Application of Funds Statement
For the Year Ended 31 December 1990

		1989	
	£	£	£
SOURCE OF FUNDS			
Net (Loss) Profit before Tax		(9292)	442334
Adjustment for Items not Involving the movement of funds			
Depreciation		28155	-
Profit on Sale of Investments		-	(341553)
		<u>18863</u>	<u>100781</u>
FUNDS FROM OTHER SOURCES			
Sale Proceeds of Investments		-	<u>398295</u>
TOTAL GENERATED FROM OPERATIONS		<u>18863</u>	<u>499076</u>
APPLICATION OF FUNDS			
ACT Paid	-	6250	
Dividend Paid	-	7500	
Investments Purchased	-	67223	
Investment Property Purchased	21165	-	
Tangible Assets Purchased	622360	-	
Corporation Tax Paid	<u>30050</u>	<u>21335</u>	
		<u>673575</u>	<u>102278</u>
		(654712)	<u>396798</u>
MOVEMENTS IN WORKING CAPITAL			
Stocks (Increase)	(3000)	-	
Debtors Decrease/(Increase)	433288	(572742)	
Creditors Increase	<u>202569</u>	<u>196229</u>	
		<u>632857</u>	<u>(376513)</u>
		(21855)	<u>20285</u>
		=====	=====
MOVEMENTS IN LIQUID FUNDS			
(Decrease)/Increase in Bank Balance	(32074)	20504	
Bank Overdraft Decrease/ (Increase)	<u>219</u>	<u>(219)</u>	
		(21855)	<u>20285</u>
		=====	=====

THE NOTES ON PAGES 7 TO 10 FORM PART OF THESE ACCOUNTS

Notes to the Accounts

1 ACCOUNTING POLICIES

a) Historical Cost Convention

These accounts have been prepared on the basis of historical cost as modified by the revaluation of certain Freehold Properties.

b) Depreciation

The assets of the Company have been depreciated at the following rates:-

Yacht	- 10% per annum on cost
Yacht Fixtures & Fittings	- 20% per annum on written down value

The above rates are considered to be appropriate to write off the assets over their useful lives. Depreciation has been calculated on the yacht from the date of acquisition at the rate shown above.

c) Deferred Taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

d) Consolidated Accounts

The results have not been consolidated as the Directors consider that the results would be of no benefit to the members of the Company.

2 TURNOVER

	1990 £	1989 £
Turnover is analysed as follows:-		
Yacht Charter Income	29000	-
Loan Interest Receivable	10786	11920
Rent Receivable	26285	20900
Insurance Commissions	140	1999
Management Fees	5000	76000
Profit on Sale of Investments	-	341553
Dividends Received	-	848
	<u>71211</u>	<u>453220</u>
	=====	=====

3 NET PROFIT BEFORE TAXATION

	1990 £	1989 £
Is Stated After Charging:-		
Audit Fee	500	450
Bank Interest	596	82
Loan Interest	6452	4620
	=====	=====

SANDFIELD SECURITIES LIMITED

Notes to the Accounts Continued

4 TAXATION

	1990 £	1989 £
UK Corporation Tax based on the Profits for the year at 35% (1989 35%)	-	33050
Taxation over provided in previous years	(33050)	-
Deferred Taxation	<u>32100</u> (950) =====	<u>-</u> 33050 =====

5 TANGIBLE FIXED ASSETS

	Yacht £	Yacht Fixtures and Fittings £	Total £
COST			
At 1 January 1990	-	-	-
Additions	<u>608071</u>	<u>14289</u>	<u>622360</u>
At 31 December 1990	<u>608071</u>	<u>14289</u>	<u>622360</u>
DEPRECIATION			
At 1 January 1990	-	-	-
For Year	<u>25297</u>	<u>2858</u>	<u>28155</u>
At 31 December 1990	<u>25297</u>	<u>2858</u>	<u>28155</u>
NET BOOK VALUE			
At 31 December 1990	<u>582774</u> =====	<u>11431</u> =====	<u>594205</u> =====

6 INVESTMENTS

Unquoted Shares

The Directors estimate that the value of unquoted shares as at 31 December 1990 to be equal to cost of £27478 (1989 £27478).

7 SUBSIDIARY COMPANIES

The Company has a wholly owned subsidiary, Ivan L T Owen Limited a company registered in England.

As the activities of the subsidiary and that of the parent Company are dissimilar, it was felt that no useful purpose would be served in preparing consolidated accounts.

Notes to the Accounts Continued

8 LOAN DEBTORS

	1990 £	1989 £
Murray Vernon Limited	-	257000
Ivan L T Owen Limited	-	10233
Others	<u>194986</u>	<u>199500</u>
	194986	466733
	=====	=====

A mortgage loan of £9000 advanced in 1989 is repayable in quarterly instalments over 18 years and is subject to interest at varying rates. An interest free loan of £148986 is outstanding. The loan is secured by a mortgage over freehold property at Tarporley which following development is to be sold. One half of the net profit on sale will be receivable by the Company.

9 CREDITORS (Amounts falling due within one year)

	1990 £	1989 £
Due to Group Company:		
Ivan L T Owen Ltd (Subsidiary)	66159	-
Murray Vernon Holdings Ltd	247900	-
Murray Vernon Limited	-	185969
Bank Overdraft & Loans	-	219
Sundry Creditors	1250	8131
Corporation Tax	-	30076
Loan Creditors	-	27827
Directors Loan	100000	-
Trade Creditors	<u>9187</u>	<u>-</u>
	424496	252222
	=====	=====

The Bank holds a mortgage debenture dated 7 July 1973 over all the assets of the Company as security any overdraft facilities provided. The directors loan is unsecured, interest free and repayable on demand.

10 DEFERRED TAXATION

	1990 £	1989 £
Notional Corporation Tax arising on timing differences	32100	-
	=====	=====

11 SHARE CAPITAL

	1990 £	1989 £
Ordinary Shares of £1 Each		
Authorised	250000	250000
Issued & Fully Paid	100	100
	=====	=====

12 REVALUATION RESERVE

	1990 £	1989 £
Surplus on Revaluation of Wells Green Property	12233	12233
	=====	=====

Notes to the Accounts Continued

13 CAPITAL COMMITMENTS

Commitments for capital expenditure at the end of the year were as follows:-

	1990 £	1989 £
Authorised and Contracted for	Nil =====	302431 =====

14 POST BALANCE SHEET EVENTS

The Directors do not consider that there have been any material post balance sheet events, other than of a normal trading nature, which would materially affect these accounts.

Trading and Profit and Loss Account
For the Year Ended 31 December 1990

	£	£	1989	£
TURNOVER				
Yacht Charters		29000		-
Loan Interest Receivable		10786		11920
Rent Receivable		26285		20900
Insurance Commissions		140		1999
Management Fees		5000		76000
Dividends Received		-		848
Profit on Sale of Investments		-		<u>341553</u>
		<u>71211</u>		<u>453220</u>
LESS EXPENSES				
Wages	15225		-	
Provisions	5038		-	
Fuel & Maintenance	1461		-	
Insurances	6046		-	
Telephone & Fax Charges	1165		-	
Printing & Stationery	1426		-	
Audit & Accountancy	1575		3825	
Commissions Paid	300		-	
Repairs & Renewals	4886		495	
Travel Expenses	3393		-	
Loan Interest	6452		4620	
Bank Interest	596		82	
Bank Charges	979		1627	
Sundries	3806		237	
Depreciation	<u>28155</u>		-	
		<u>80503</u>		<u>10886</u>
NET (LOSS)/PROFIT FOR YEAR		(9292)		442334
		=====		=====