

**SANDFIELD SECURITIES LIMITED**

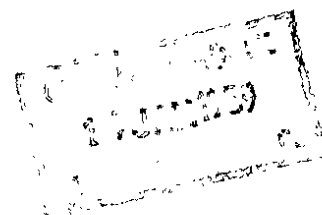
Haslington Hall  
Haslington  
Crewe  
Cheshire  
CW1 1TJ

**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 1987

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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 1TJ

## Report of the Directors

The Directors submit their annual report and audited accounts for the year ended 31 December 1987.

## RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £41265. The Directors recommend that a final dividend of £112.50 per share on the shares in issue amounting to £11250.

## REVIEW OF THE BUSINESS

The principal activity of the Company during the year was that of providing financial and management services.

## FIXED ASSETS

Movement in the Fixed Assets of the Company are set out in detail in the Notes 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 £220,000. A professional revaluation will be made of the properties during the ensuing year.

## DIRECTORS AND THEIR INTERESTS

The Directors at 31 December 1987 and their interests in the share capital of the Company at the beginning and end of the year were as follows:-

	31.12.87	1.1.86
	£1 Ordinary Shares	£1 Ordinary Shares
A J Vernon	99	100
N Hassall	<u>1</u>	<u>-</u>
	100	100
	==	==

## FUTURE DEVELOPMENTS

The Directors anticipate that 1988 will be a year of successful business 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 consider that there have not been any major events since the year end significantly affecting 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 1970.

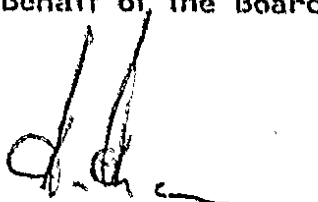
## AUDITORS

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 1TJ

  
CHAIRMAN

4 January 1988

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 10. Our audit was conducted in accordance with approved Auditing Standards

In our opinion these financial statements which have been prepared under the historical cost convention as modified by the revaluation of certain properties, give under that convention a true and fair view of the state of the Company's affairs at 31 December 1987 and of the profit 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  
ACCOUNTANTS

4 January 1989

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## SANDFIELD SECURITIES LIMITED

## Profit and Loss Account

For the Year Ended 31 December 1987

	NOTES	£	1986 £
TURNOVER	2	69733	44747
LESS Administration Expenses		<u>9529</u>	<u>21183</u>
OPERATING PROFIT		60204	23564
LESS Loss on Sale of Investment Property		<u>-</u>	<u>(55867)</u>
		60204	(32303)
LESS INTEREST PAYABLE			
Bank Interest		<u>2717</u>	<u>2841</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		57487	(35144)
Tax on Profit on Ordinary Activities	4	<u>16222</u>	<u>4874</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		41265	(40018)
Transfer to Revaluation Reserve		<u>134</u>	<u>612</u>
		41131	(40630)
Dividend	5	<u>11250</u>	<u>-</u>
		29881	(40630)
RETAINED PROFIT BROUGHT FORWARD		<u>125784</u>	<u>166414</u>
RETAINED PROFIT CARRIED FORWARD		<u>£155665</u>	<u>£125784</u>
		=====	=====

THE NOTES ON PAGES 7 TO 9 FORM PART OF THESE ACCOUNTS

# SANDFIELD SECURITIES LIMITED

## Balance Sheet

As at 31 December 1987

	NOTES	£	£	1986 £	£
<b>INVESTMENT IN PROPERTY</b>					
At Cost		121162		9295	
At Valuation		<u>31000</u>		<u>31000</u>	
			152162		40296
<b>TANGIBLE FIXED ASSETS</b>					
Office Equipment	6		-		4783
<b>INVESTMENTS</b>					
Unquoted Shares	7a	2005		6284	
Quoted Shares	7b	-		4250	
Subsidiary Companies		<u>14992</u>		<u>14992</u>	
			16997		25506
			169159		70585
<b>CURRENT ASSETS</b>					
Sundry Debtors & Interest Accrued		57053		32884	
Loan Debtors	9	<u>87511</u>		<u>96055</u>	
		144564		128939	
<b>CURRENT LIABILITIES (Creditors Falling Due Within One Year)</b>					
	10	<u>145725</u>		<u>60242</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			(1161)		68697
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			167998		139282
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Deferred Taxation	11		<u>4300</u>		<u>5599</u>
<b>NET ASSETS</b>			£163698		£133683
			=====		=====
<b>Financed By:-</b>					
CALLLED UP SHARE CAPITAL	12		100		100
REVALUATION RESERVE	13		7933		7799
PROFIT AND LOSS ACCOUNT			<u>155665</u>		<u>125784</u>
			£163698		£133683
			=====		=====

Signed on Behalf of the Board

..... DIRECTOR

..... DIRECTOR

THE NOTES ON PAGES 7 TO 9 FORM PART OF THESE ACCOUNTS

## SANDFIELD SECURITIES LIMITED

Source and Application of Funds Statement  
For the Year Ended 31 December 1987

	£	£	1986 £	£
<b>SOURCE OF FUNDS</b>				
Net Profit (Loss) before Tax		57487		(35144)
Adjustment for Items not Involving the movement of funds				
Depreciation	4708		9768	
Loss on Disposal of Investment Property	-		55867	
Loss on Disposal of Fixed Assets	-		1424	
Profit on Sale of Investments	(722)		(451)	
		<u>3986</u>		<u>66608</u>
		61473		31464
<b>FUNDS FROM OTHER SOURCES</b>				
Sale Proceeds of Investment Property		-		350000
Sale Proceeds of Fixed Assets		75		-
Sale Proceeds of Investments		<u>19849</u>		<u>951</u>
<b>TOTAL GENERATED FROM OPERATIONS</b>		81397		382415
<b>APPLICATION OF FUNDS</b>				
Investments Purchased	10618		9009	
Investment Property Purchased	111866		-	
Corporation Tax Paid	<u>22238</u>		<u>13568</u>	
		<u>144722</u>		<u>22577</u>
		(63325)		359838
<b>MOVEMENTS IN WORKING CAPITAL</b>				
Debtors (Increase)/Decrease	(11875)		(44555)	
Creditors Increase/(Decrease)	<u>(11048)</u>		<u>(260061)</u>	
		<u>(22923)</u>		<u>(304616)</u>
		£(86248)		£ 55222
		=====		=====
<b>MOVEMENTS IN LIQUID FUNDS</b>				
Bank Overdraft (Increase)/ Decrease	<u>(86248)</u>		<u>55222</u>	
		£(86248)		£ 55222
		=====		=====

THE NOTES ON PAGES 7 TO 9 FORM PART OF THESE ACCOUNTS

## SANDFIELD SECURITIES LIMITED

## 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

Depreciation is calculated on the net cost of fixed assets using the straight line basis at the following rate which is considered appropriate to write off the asset over its useful life.

Office Equipment -  $33\frac{1}{3}\%$  Straight Line

No depreciation has been provided in respect of investment properties.

## c) Deferred Taxation

Deferred Taxation is provided on the liability method on all short term timing differences.

## 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

Turnover is analysed as follows:-

	1987	1986
	£	£
Loan Interest Receivable	2117	3499
Rent Receivable	17500	21619
Building Society Commission	-	475
Insurance Commissions	28394	203
Management Fees	21000	18500
Profit on Sale of Investments	<u>722</u>	<u>451</u>
	<u>£69733</u>	<u>£44747</u>
	=====	=====

## 3 NET PROFIT BEFORE TAXATION

Is Stated after Charging:-

	1987	1986
	£	£
Audit Fee	450	300
Depreciation	4708	9768
Loss on Sale of Fixed Assets	-	1424
	<u>=====</u>	<u>=====</u>

## 4 TAXATION

	1987	1986
	£	£
UK Corporation Tax based on the profits for the year at 35% (1986 35/40%)	20031	9360
Deferred Taxation	<u>(1299)</u>	<u>(3260)</u>
	18732	6100
Taxation (over)/underprovided in previous years	<u>(2510)</u>	<u>(1506)</u>
Net Supplement Paid (received)	<u>-</u>	<u>280</u>
	<u>£16222</u>	<u>£4874</u>
	=====	=====



## SANDFIELD SECURITIES LIMITED

## Notes to the Accounts Continued

## 5 DIVIDEND

	1987	1986
	£	£
Final dividend proposed on 100 shares at £112.50 per share	11250	-
	=====	=====

## 6 TANGIBLE FIXED ASSETS

	Office Equipment	Total
<b>COST</b>		
As at 1 January 1987	26063	26063
Disposals	(12000)	(12000)
As at 31 December 1987	£14063	£14063
	=====	=====
<b>DEPRECIATION</b>		
As at 1 January 1987	21280	21280
Eliminated in respect of Disposals	(11925)	(11925)
Charge for Year	4708	4708
As at 31 December 1987	£14063	£14063
	=====	=====
<b>NET LOOK VALUE</b>		
As at 1 January 1987	£ 4783	£ 4783
	=====	=====
As at 31 December 1987	£ -	£ -
	=====	=====

## 7 INVESTMENTS

## a) Unquoted Shares

The Directors estimate that the value of the unquoted shares as at 31 December 1987 was approximately £300,000 (1986: £130,000).

In May 1986 the Company acquired a 49% holding in SOCIETE A.B.C. Sarl a French Company at a cost of £4259. Further shares were purchased during the year at a cost of £10618. This investment was subsequently sold on 4 October 1987 at cost. As a consequence the associated company's results have not been incorporated in these financial statements.

## b) Quoted Shares

	1987	1986
	£	£
Cost	-	£4250
	=====	=====

## SANDFIELD SECURITIES LIMITED

## Notes to the Accounts Continued

## 8 SUBSIDIARY COMPANY

The Company holds the following investments. Holdings are shown as a percentage of the Subsidiary Company's total issued ordinary share capital:-

Leyfos Plastics Limited	76%
Ivan L T Owen Limited	100%

As the activities of the subsidiaries and that of the parent Company are dissimilar, it was felt that no useful purpose would be served in preparing consolidated accounts. The above Companies are both registered in England

## 9 LOAN DEBTORS

	1987	1986
	£	£
Ivan L T Owen Limited	14980	12120
Others	75531	74970
Directors Loan Account	-	8965
	<u>£87511</u>	<u>£96055</u>
	=====	=====

## 10 CREDITORS (Amounts falling due within one year)

	1987	1986
	£	£
Bank Overdraft & Loans	96644	10396
Sundry Creditors	1559	8348
Corporation Tax	9480	14197
Loan Creditors	23042	27301
Dividend Payable	11250	-
Other Taxes	3750	-
	<u>£145725</u>	<u>£60242</u>
	=====	=====

The Bank holds a mortgage debenture dated 7 July 1973 over all the assets of the Company as security for the overdraft.

## 11 DEFERRED TAXATION

	1987	1986
	£	£
Notional Corporation Tax payable on the surplus arising on the revaluation of Freehold Properties	4300	4434
Notional Corporation Tax payable at 35% due to accelerated capital allowances	-	1165
	<u>£4300</u>	<u>£5599</u>
	=====	=====

## SANFIELD SECURITIES LIMITED

## Notes to the Accounts Continued

## 12 SHARE CAPITAL

	1987 £	1986 £
Ordinary Shares of £1 Each		
Authorised	250000	250000
Issued & Fully Paid	100	100
	=====	=====

## 13 REVALUATION RESERVE

	1987 £	1986 £
Surplus on Revaluation of Wells Green Property	12233	12233
Corporation Tax Reserve @ 35% (1986: 35/40%)	<u>4300</u>	<u>4434</u>
	£ 7933	£ 7799
	=====	=====

## 14 CONTINGENT LIABILITIES

The Company has guaranteed all advances in respect of  
Leyfos Plastics Limited.

## 15 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.

SANDFIELD SECURITIES LIMITED

11

Trading and Profit and Loss Account  
For the Year Ended 31 December 1987

	£	£	1986	£
<b>INCOME</b>				
Loan Interest Receivable		2117		3499
Rent Receivable		17500		21619
Building Society Commission		-		475
Insurance Commissions		28394		203
Management Fees		21000		18500
Profit on Sale of Investments		<u>722</u>		<u>451</u>
		69733		44747
<b>LESS EXPENSES</b>				
Directors Remuneration	-		7731	
Insurance - Key Man	192		192	
Bank Charges	76		93	
Bank Interest	2717		2841	
Audit & Accountancy Fees	1129		488	
Legal Fees	-		263	
Repairs & Renewals	3071		1149	
Sundries	353		75	
Depreciation	4708		9768	
Loss on Sale of Fixed Assets	<u>-</u>		<u>1424</u>	
		<u>12246</u>		<u>24024</u>
<b>NET PROFIT FOR YEAR</b>		<b>£57487</b>		<b>£20723</b>
		=====		=====