

**AS & D Enterprises Limited**  
**Annual report**  
**for the year ended 30 June 2005**



# **AS & D Enterprises Limited**

## **Annual report for the year ended 30 June 2005**

	Pages
Directors and advisers	1
Directors' report	2 - 3
Independent auditors' report	4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 12

## Directors and advisers

### Directors

Mrs VB Scott  
Mrs B Scott  
Mrs S Bentley  
Mr F Ledwidge OBE FCA

### Secretary

Mrs KN Duffy

### Registered office

Cherry Cottage  
10 Brook Rise  
Chigwell  
Essex  
IG7 6AP

### Business address

River House  
48 High Street  
Belfast  
BT1 2BE

### Solicitors

King & Gowdy  
298 Upper Newtownards Road  
Belfast  
BT4 3EJ

### Bankers

Ulster Bank Ltd  
Donegal Square East  
Belfast  
BT1 5HD

### Registered auditors

PricewaterhouseCoopers LLP  
Waterfront Plaza  
8 Laganbank Road  
Belfast  
BT1 3LR

## Directors' report for the year ended 30 June 2005

The directors present their report and the audited financial statements for the year ended 30 June 2005.

### Principal activities

The company's principal activity during the year was that of an investment company.

### Review of business and future developments

The directors consider the results for the year and the position of the company at the year end to be satisfactory. The company will continue to seek every opportunity to improve profitability.

### Results and dividends

The profit for the financial year is £443,973 (2004: £408,972). An interim dividend of £60,250 (2004: £25,000) was paid during the year. The directors do not recommend the payment of a final dividend. The profit of £383,723 will be transferred to reserves.

### Directors and their interests

The directors who served during the year are shown on page 1. The interests of the directors who held office at the end of the financial year in the shares of the company were as follows:

#### Ordinary shares of £1 each

	30.06.05 Number	30.06.04 Number
Mr F Ledwidge	-	-
Mrs VB Scott	33	33
Mrs B Scott	34	34
Mrs S Bentley	<u>33</u>	<u>33</u>

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs and of the profit or loss of the company 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 standards 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.

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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

## Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board

*K. N. Duffy*

Mrs KN Duffy

**Secretary**

Date:

## Independent auditors' report to the members of AS & D Enterprises Limited

We have audited the financial statements, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 directors' report 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 directors' remuneration and transactions is not disclosed.


### Basis of audit 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 financial 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 at 30 June 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
Belfast

Date: 14 February 2006

## Profit and loss account for the year ended 30 June 2005

	Notes	2005 £	2004 £
<b>Gross rents</b>		<b>1,004,097</b>	978,404
<b>Rental expenses</b>		<b>(99,691)</b>	(126,245)
<b>Net rents</b>		<b>904,406</b>	852,159
Administrative expenses		(84,661)	(70,377)
<b>Operating profit</b>	2	<b>819,745</b>	781,782
Interest receivable	3	8,465	6,301
Interest payable and similar charges	4	(198,469)	(189,938)
<b>Profit on ordinary activities before taxation</b>		<b>629,741</b>	598,145
Taxation	5	(185,768)	(189,173)
<b>Profit for the financial year</b>		<b>443,973</b>	408,972
Dividends	6	(60,250)	(25,000)
<b>Retained profit for the year</b>	14	<b>383,723</b>	383,972

All amounts above relate to continuing operations of the company.

There is no material significant difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

**Statement of total recognised gains and losses  
for the year ended 30 June 2005**

	2005	2004
	£	£
Profit for the financial year	443,973	408,972
Unrealised surplus on revaluation of property	200,000	688,870
<b>Total gains recognised since last annual report</b>	<b>643,973</b>	<b>1,097,842</b>



# AS & D Enterprises Limited

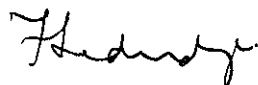
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## Balance sheet at 30 June 2005

	Notes	2005 £	2004 £
<b>Fixed assets</b>	7	13,008,498	12,812,747
<b>Current assets</b>			
Debtors	8	14,300	15,772
Cash at bank and in hand		1,107,101	834,582
		1,121,401	850,354
<b>Creditors: amounts falling due within one year</b>	9	(2,384,394)	(2,201,319)
<b>Net current liabilities</b>		(1,262,993)	(1,350,965)
<b>Total assets less current liabilities</b>		11,745,505	11,461,782
<b>Creditors: amounts falling due after more than one year</b>	10	(2,700,000)	(3,000,000)
<b>Deferred income</b>	12	(11,130)	(11,130)
<b>Net assets</b>		9,034,375	8,450,652
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Revaluation reserve	14	3,768,143	3,568,143
Capital reserve	14	2,251,367	2,251,367
Profit and loss account	14	3,014,765	2,631,042
<b>Equity shareholders' funds</b>	15	9,034,375	8,450,652

The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

The financial statements on pages 5 to 12 were approved by the board on 14<sup>th</sup> July 2006 and were signed on its behalf by:



Mr F Ledwidge  
Director

## Notes to the financial statements for the year ended 30 June 2005

### 1 Accounting policies

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements are prepared on the going concern basis under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and in accordance with the Companies Act 1985 and applicable accounting standards. The significant accounting policies adopted are set out below.

#### Gross rents

Gross rents are derived from ordinary activities.

#### Investment properties

Investment properties are stated at open market value based on professional valuations and are revalued annually.

Surpluses/deficits on revaluation of investment properties are credited/debited to a non-distributable revaluation reserve. On disposal realised surpluses/deficits are transferred to/from revaluations reserve. Where a deficit on an individual investment property is expected to be permanent it is transferred to the profit and loss reserve.

No depreciation is provided in respect of long leasehold investment properties. Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary for the accounts to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

#### Depreciation

Depreciation is calculated in order to write off the cost of tangible assets other than land and investment properties over their estimated useful lives as follows:

Fixtures and fittings	5 years
Motor vehicles	5 years

#### Deferred taxation

The company has adopted FRS 19 "Deferred taxation" in these financial statements. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profit and its results as stated in the financial statements. Deferred tax assets and liabilities recognised have not been discounted.

#### Cash flow statement

The company qualifies as a small company under Sections 246 to 249 of the Companies Act 1985 and is therefore exempt from the requirement of Financial Reporting Standard No.1 to prepare cash flow statement.

## 2 Operating profit

	2005	2004
	£	£
<i>This is stated after charging:</i>		
Auditors' remuneration	4,300	4,100
Directors' remuneration	24,000	19,500
Depreciation (Note 7)	4,249	5,148

## 3 Interest receivable and similar income

	2005	2004
	£	£
Bank interest	8,465	6,301

## 4 Interest payable and similar charges

	2005	2004
	£	£
On bank and other loans	198,469	189,938

## 5 Taxation

	2005	2004
	£	£
<b>Current tax</b>		
UK corporation tax at 30% (2003: 30%)	189,297	179,500
Adjustment in respect of previous years	(3,529)	9,673
<b>Total current tax</b>	<b>185,768</b>	<b>189,173</b>
<b>Tax on profit on ordinary activities</b>	<b>185,768</b>	<b>189,173</b>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK 30%. The differences are explained below:-

Profit on ordinary activities before tax	629,741	598,145
Profit on ordinary activities multiplied by standard rate in the UK 30% (2003: 30%)	188,922	179,443
Effects of:		
Other timing differences	375	57
Adjustments in respect of previous years	(3,529)	9,673
<b>Current tax charge for the year</b>	<b>185,768</b>	<b>189,173</b>

## 6 Dividends

	2005	2004
	£	£
Interim paid	60,250	25,000

## 7 Tangible fixed assets

	Long leasehold land & buildings £	Fixtures & fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 July 2004	12,800,000	4,910	21,245	12,826,155
Surplus on revaluation	200,000	-	-	200,000
<b>At 30 June 2005</b>	<b>13,000,000</b>	<b>4,910</b>	<b>21,245</b>	<b>13,026,155</b>
<b>Accumulated depreciation</b>				
At 1 July 2004	-	4,910	8,498	13,408
Charge for year	-	-	4,249	4,249
<b>At 30 June 2005</b>	<b>-</b>	<b>4,910</b>	<b>12,747</b>	<b>17,657</b>
<b>Net book value</b>				
<b>At 30 June 2005</b>	<b>13,000,000</b>	<b>-</b>	<b>8,498</b>	<b>13,008,498</b>
At 30 June 2004	12,800,000	-	12,747	12,812,747
	£	£	£	£
<b>Cost or valuation at 30 June 2005 is represented by:</b>				
Cost	-	4,910	21,245	26,155
Valuation in 2005	13,000,000	-	-	13,000,000
	<b>13,000,000</b>	<b>4,910</b>	<b>21,245</b>	<b>13,026,155</b>

The historical cost of the long lease land and buildings included at valuation was £9,231,857. The investment properties were professionally valued at 30 June 2005 by the Whelan Partnership on an open market existing use basis at an amount of £13,000,000.

## 8 Debtors

	2005 £	2004 £
Amounts owed by related undertaking	7,154	7,154
Prepayments and accrued income	7,146	8,618
	<b>14,300</b>	<b>15,772</b>

## 9 Creditors: amounts falling due within one year

	2005	2004
	£	£
Bank overdraft	20,967	-
Bank loan (note 10)	300,000	300,000
Amounts due to related undertakings	861,275	918,396
Corporation tax	196,245	181,815
Other tax and social security	8,418	9,743
Other creditors	963,276	757,375
Accruals and deferred income	34,213	33,990
	<b>2,384,394</b>	<b>2,201,319</b>

## 10 Creditors: amounts falling due after more than one year

	2005	2004
	£	£
<b>Bank loan</b>	<b>2,700,000</b>	<b>3,000,000</b>
<b>Loan repayable:</b>		
1 Year	300,000	300,000
2-5 years	1,200,000	1,200,000
After 5 Years	1,500,000	1,800,000

The bank loan is secured by a floating charge on the company's assets and by a fixed charge on the company's properties.

## 11 Provisions for liabilities and charges

No provision has been made for any tax liability that would arise, if the properties were disposed of at their revalued amounts.

	2005	2004
	£	£
<b>Deferred taxation</b>		
Potential deferred tax on revaluation surplus	450,000	450,000

## 12 Deferred income

	2005	2004
	£	£
At 1 July 2004 and 30 June 2005	11,130	11,130

## 13 Called up share capital

	2005	2004
	£	£
<b>Authorised</b>		
5,000 ordinary shares of £1 each	5,000	5,000
<b>Allotted and fully paid</b>		
100 ordinary shares of £1 each	100	100

**14 Reserves**

	Revaluation reserve £	Capital reserve £	Profit and loss account £	Total £
At 1 July 2004	3,568,143	2,251,367	2,631,042	8,450,552
Retained profit for the year	-	-	383,723	383,723
Surplus on revaluation of assets	200,000	-	-	200,000
<b>At 30 June 2005</b>	<b>3,768,143</b>	<b>2,251,367</b>	<b>3,014,765</b>	<b>9,034,275</b>

**15 Reconciliation of movements in shareholders' funds**

	2005 £	2004 £
Profit for the financial year	443,973	408,972
Dividends	(60,250)	(25,000)
	383,723	383,972
Unrealised surplus on property revaluation	200,000	688,870
Net addition to shareholders' funds	583,723	1,072,842
<b>Opening shareholders' funds</b>	<b>8,450,652</b>	<b>7,377,810</b>
<b>Closing shareholders' funds</b>	<b>9,034,375</b>	<b>8,450,652</b>

**16 Capital Commitments**

At the year end there were capital commitments of £998,749 (2004: £Nil).

**17 Related party disclosures**

At the year end other debtors (note 8) include the following amount due from:

	2005 £	2004 £
Herclose Investments	7,154	7,154

At the year end creditors (note 9) include the following amount due from:

	2005 £	2004 £
Belfast Fashions	659,337	713,534
The Progressive Trading Company	201,938	204,862
	861,275	918,396

All the directors of AS & D Enterprises Limited are also directors of Belfast Fashions, its fully-owned subsidiary Herclose Investments, and Progressive Trading Company (Belfast). Additionally three of the directors (Mrs VB Scott, Mrs B Scott and Mrs S Bentley) own the majority of the shares in Belfast Fashions and Progressive Trading Company (Belfast).

Fees of £28,690 for property investment services were paid to Mr F Ledwidge, a director of the company.

# AS & D Enterprises Limited

## Trading Account for the year ended 30 June 2005

	2005 £	2004 £
<b>Property income</b>		
Rents receivable	962,792	932,218
Service charge	41,305	46,186
	<b>1,004,097</b>	<b>978,404</b>
<b>Expenses</b>	<b>(99,691)</b>	<b>(126,245)</b>
Net rents	<b>904,406</b>	<b>852,159</b>
<b>Administration expenses</b>		
Property Investment Services	28,690	15,825
Directors salaries	24,000	19,500
Office salaries	5,975	6,250
Light and heat	107	-
Company Secretarial and administration services	114	223
Telephone	1,408	1,388
Accountancy and audit	6,799	6,180
Motor and travel	6,235	6,140
General expenses	514	392
Employers' NIC	3,809	3,630
Professional fees	2,456	5,394
Bank fees	305	307
Depreciation	4,249	5,148
	<b>(84,661)</b>	<b>(70,377)</b>
<b>Operating profit</b>	<b>819,745</b>	<b>781,782</b>
Interest receivable	8,465	6,301
Interest payable and similar charges	(198,469)	(189,938)
<b>Profit on ordinary activities before taxation</b>	<b>629,741</b>	<b>598,145</b>
Taxation	(185,768)	(189,173)
<b>Profit for the financial year</b>	<b>443,973</b>	<b>408,972</b>
Dividends	(60,250)	(25,000)
<b>Retained profit for the year</b>	<b>383,723</b>	<b>383,972</b>