
BANC PROPERTIES LIMITED

REPORT AND FINANCIAL STATEMENTS

◆ 30 June 1999 ◆



A04 *A6RXCNFI* 0401
COMPANIES HOUSE 25/01/00
COMPANY NO: 3057511

BANC PROPERTIES LIMITED

CONTENTS

	Page
COMPANY INFORMATION	1
REPORT OF THE DIRECTORS	2-3
AUDITORS' REPORT TO THE SHAREHOLDERS OF	4
PROFIT AND LOSS ACCOUNT	5
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES	6
BALANCE SHEET	7
NOTES TO THE FINANCIAL STATEMENTS	8-13

BANC PROPERTIES LIMITED

COMPANY INFORMATION

Directors A L Cohen
 N Barnett
 B A Foreman
 S H Walters (appointed 28th June 1999)

Secretary B A Foreman

Registered office Lynton House
 5 Stanmore Hill
 Stanmore
 Middlesex
 HA7 3DP

Registered number 3057511

Auditors RSM Robson Rhodes
 Bryanston Court
 Selden Hill
 Hemel Hempstead
 Herts
 HP2 4TN

Bankers National Westminster Bank Plc
 Hanley
 Stoke-On-Trent
 ST1 3JJ

Barclays Bank Plc
15 Colmore Row
Birmingham
B3 24Y

REPORT OF THE DIRECTORS

The directors present their report together with the audited accounts for the year to 30 June 1999.

Principal activities

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

Results and dividend

The results for the period are set out in detail on page 5. The directors do not recommend the payment of a dividend.

Directors

The directors at the date of this report are disclosed on page 1.

The directors' beneficial interests in the Company's shares at the dates specified were as follows:

	At 30 June 1999 No	At 30 June 1998 No
A L Cohen	-	-
N Barnett	20	20
B A Foreman	-	-
S H Walters	-	-

The directors' interests in the shares of the parent company are disclosed in that company's accounts.

Directors' responsibilities for financial statements

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 of the company for that period. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

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.

BANC PROPERTIES LIMITED

REPORT OF THE DIRECTORS **(Continued)**

Millennium Transition

The directors have considered the risks of the potential problems in the processing of data or operation of electronic equipment affected by the transition from 1999 to 2000. In their opinion they are taking reasonable steps to ensure that the company is prepared for the transition. The costs associated with this transition are not considered significant.

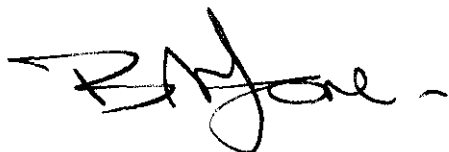
Auditors

The auditors changed their name to RSM Robson Rhodes on 18 October 1999 and accordingly have signed the audit report using their new name. They are willing to continue in office. They are expected to be deemed to be reappointed in accordance with the elective resolution currently in force.

Approval

Advantage has been taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

The report by the directors was approved by the Board on 21st December 1999 and signed on its behalf by:



Barry Anthony Foreman
Secretary

BANC PROPERTIES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF BANC PROPERTIES LIMITED

We have audited the financial statements on pages 5 to 13 which have been prepared on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 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 judgments 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 affairs of the Company at 30 June 1999 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

RSM Robson Rhodes

RSM Robson Rhodes

Chartered Accountants and Registered Auditor

Hemel Hempstead

21 December 1999

BANC PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 1999

	Note	1999 £	1998 £
Turnover - continuing operations	1	332,471	188,858
Cost of sales		(37,327)	-
		<hr/>	<hr/>
Gross profit		295,144	188,858
Administrative expenses		(335,024)	(214,968)
		<hr/>	<hr/>
Operating loss - continuing operations	2	(39,880)	(26,110)
Interest payable	4	(481,932)	(377,235)
Interest receivable	5	197,638	18,248
Profit on disposal of investment property		25,248	73,430
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(298,926)	(311,667)
Taxation	6	80,966	-
		<hr/>	<hr/>
Retained loss for the financial period	14	(217,960)	(311,667)
		<hr/> <hr/>	<hr/> <hr/>

BANC PROPERTIES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 June 1999**

	1999	1998
	£	£
Loss for the financial year	(217,960)	(311,667)
Unrealised (deficit)/surplus on property revaluation	(94,180)	1,374,053
	<hr/>	<hr/>
Total recognised (losses)/gains	(312,140)	1,062,386
	<hr/>	<hr/>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

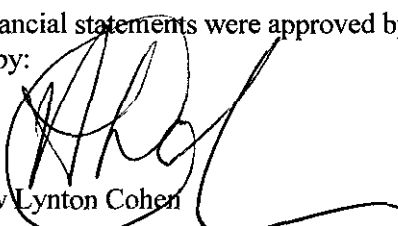
	1999	1998
	£	£
Loss on ordinary activities before taxation	(298,926)	(311,667)
Release of property revaluation gains	542,053	249,706
	<hr/>	<hr/>
Historical cost profit/(loss) on ordinary activities before taxation	243,127	(61,961)
	<hr/>	<hr/>
Historical cost retained profit/(loss)	324,093	(61,961)
	<hr/>	<hr/>

BANC PROPERTIES LIMITED**BALANCE SHEET**
at 30 June 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	7	7,423,669	5,020,961
Investments	8	4	1,063,616
		<hr/>	<hr/>
		7,423,673	6,084,577
		<hr/>	<hr/>
Current assets			
Investments		1,200,112	-
Debtors	9	1,041,583	460,506
Cash at bank and in hand		15,220	-
		<hr/>	<hr/>
		2,256,915	460,506
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	10	(8,124,307)	(4,902,662)
		<hr/>	<hr/>
Net current liabilities		(5,867,392)	(4,442,156)
		<hr/>	<hr/>
Total assets less current liabilities		1,556,281	1,642,421
		<hr/>	<hr/>
Provisions for liabilities and charges	11	(394,000)	(168,000)
		<hr/>	<hr/>
Net assets		1,162,281	1,474,421
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	100	100
Investment revaluation reserve	14	1,183,346	1,651,580
Profit and loss account	14	(21,165)	(177,259)
		<hr/>	<hr/>
Shareholders' funds - equity	13	1,162,281	1,474,421
		<hr/>	<hr/>

Advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the Company qualifies as a small company.

The financial statements were approved by the Board on
behalf by:


Andrew Lynton Cohen
Director

21/12 1999 and signed on its

NOTES TO THE FINANCIAL STATEMENTS

30 June 1999

1. ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention as modified by the revaluation of certain land and buildings, and on the basis of continued support by the parent undertaking.

The company is exempt, under section 229 of the Companies Act 1985, from the requirement to prepare consolidated accounts. Andrew Lynton Holdings Limited, the immediate parent company, prepares group accounts and is registered in Great Britain.

Turnover

Turnover represents the rent receivable during the period, excluding Value Added Tax.

Depreciation

The only tangible fixed assets held were investment properties, on which no depreciation is provided.

Taxation

The charge for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become in the foreseeable future.

Group undertakings are able to relieve their taxable losses by surrendering them to other group companies where capacity to utilise those losses exists. There is an agreement between members of this group that such losses will be paid for by the recipient company. Where there is reasonable certainty that taxable losses can be relieved, the group relief receivable or payable is included in the taxation charge or credit for the period.

Investment properties

Investment properties are included in the balance sheet at cost from the date of exchange of contracts, or subsequent valuation.

2. OPERATING LOSS

	1999 £	1998 £
Operating loss is stated after charging:		
Auditors' remuneration	-	-
	<hr/> <hr/>	<hr/> <hr/>

BANC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 June 1999****3. EMPLOYEES INFORMATION (INCLUDING DIRECTORS)**

There were no employees during the period.

The directors received no remuneration during the period. See note 15 for transactions with directors.

4. INTEREST PAYABLE

	1999 £	1998 £
On bank loans and overdrafts repayable by instalments	87,239	47,794
On loans from group undertakings	394,693	329,441
	<u>481,932</u>	<u>377,235</u>

5. INTEREST RECEIVABLE

	1999 £	1998 £
Interest receivable - on bank balances	1,537	18,248
- on loans	193,607	-
- other	2,494	-
	<u>197,638</u>	<u>18,248</u>

6. TAXATION

	1999 £	1998 £
The taxation credit is made up as follows:		
Corporate tax	(87,034)	-
Release of deferred taxation	168,000	-
	<u>80,966</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
30 June 1999
7. TANGIBLE FIXED ASSETS - INVESTMENT PROPERTIES

	Freehold property £
Cost or valuation	
At 1 July 1998	5,020,961
Additions	3,777,889
Disposals	(1,675,000)
Revaluation	299,819
	<hr/>
At 30 June 1999	7,423,669
	<hr/> <hr/>
Land and buildings comprise:	
Cost	5,846,323
Revaluation	1,577,346
	<hr/>
At 30 June 1999	7,423,669
	<hr/> <hr/>
At 30 June 1998	5,020,961
	<hr/> <hr/>

At 30 June 1999 the directors revalued the properties to market value.

8. INVESTMENTS

	Unlisted investments £	Shares in Group Undertakings £	Total £
Cost or valuation			
At 1 July 1998	1,063,612	4	1,063,616
Sold in year	-	-	-
Additions	136,500	-	136,500
Reclassify as current assets	(1,200,112)	-	(1,200,112)
	<hr/>	<hr/>	<hr/>
At 30 June 1999	-	4	4
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The company owns 100% of the ordinary share capital of Pentamain Limited and Tamefield Limited. Both companies are incorporated in Great Britain.

The unlisted investments have been reclassified as current assets as they are due to be realised within the next accounting period.

BANC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 June 1999****9. DEBTORS**

	1999	1998
	£	£
Amounts owed by group undertaking	711,796	337,873
Other debtors	329,787	122,633
	<u>1,041,583</u>	<u>460,506</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999	1998
	£	£
Bank loan and overdrafts	2,858,003	616,997
Amounts owed to group undertakings	4,973,140	4,078,215
UK Corporation tax	87,034	-
Other taxation and social security	6,400	17,500
Other creditors	199,730	189,950
	<u>8,124,307</u>	<u>4,902,662</u>

The bank loan is secured by a floating charge over the assets of the company. The company also acts, with certain other group companies, as guarantor in respect of loans made to Group companies.

The bank loan is repayable on demand, although payment is expected to be made in accordance with the repayment schedule detailing monthly instalments.

Interest is charged on balances due to group undertakings, other than balances with direct subsidiaries.

11. PROVISION FOR LIABILITIES AND CHARGES

	1999	1998
	£	£
Deferred taxation comprises:		
Provided at 31%	394,000	168,000
	<u>394,000</u>	<u>168,000</u>
Unprovided		
Tax on potential capital gain	59,000	387,000
	<u>59,000</u>	<u>387,000</u>

BANC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 June 1999****12. SHARE CAPITAL**

	1999	1998
	£	£
Authorised, allotted and fully paid 100 Ordinary shares of £1 each	100	100

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999	1998
	£	£
Total recognised (losses)/gains	(312,140)	1,062,386
Opening shareholders' funds	1,474,421	412,035
Closing shareholders' funds	1,162,281	1,474,421

14. RESERVES

	Investment revaluation reserve	Profit and loss
	£	£
At July 1998	1,651,580	(177,259)
Retained loss for the year	-	(217,960)
Transfer to profit and loss account	(374,054)	374,054
Revaluation	299,820	-
Deferred taxation	(394,000)	-
At 30 June 1999	1,183,346	(21,165)

15. TRANSACTIONS WITH DIRECTORS

Fees of £93,758 (1998: £60,193) were paid in the period to Norman Barnett Associates in connection with property services provided by Norman Barnett, a director of the company.

NOTES TO THE FINANCIAL STATEMENTS

30 June 1999

16. ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking is Andrew Lynton Holdings Limited, a company registered in England. Copies of the Group accounts can be obtained from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.