

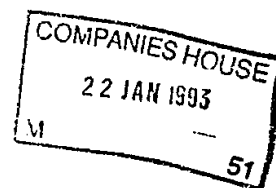
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Laurel Gordon Properties Limited

Report and Financial Statements

For the year ended

31st March 1992



■ FARMERY & CO ■
A C C O U N T A N T S

Tudor House
24 Cecil Road
Enfield
Middlesex EN2 6TG
Telephone
081-366 4552/3/4
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081-367 1203

LAUREL GORDON PROPERTIES LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1992

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Detailed Trading and Profit and Loss Account	11
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DIRECTORS REPORT

The Directors present their report and the Audited Financial Statements for the year ended 31st March 1992.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity during the year was that of Property Dealers and Developers. The trading results of the year are generally in accordance with the Directors' expectations.

SUBSIDIARY COMPANY

The Company owns 100% of the issued share capital of Laurel Gordon plc, a company registered in England. The Subsidiary Company did not trade during the year.

R.A.G. Thomas Esq and B.A.S. Thomas Esq are Directors of Laurel Gordon plc.

RESULTS AND DIVIDENDS

The Loss for the year (after Taxation and Extraordinary Items) amounted to £51,888. It is recommended that this amount be transferred against reserves.

The Directors do not recommend the payment of a dividend.

SIGNIFICANT CHANGES IN FIXED ASSETS

Significant changes in Fixed Assets are shown in the Notes to the Accounts.

DIRECTORS

The Directors who served during the year and their interest in the Share Capital of the Company, were as follows:

	<u>£1 Ordinary Shares</u>	
	<u>At Beginning</u>	<u>At End of</u>
	<u>of Year</u>	<u>Year</u>
R.A.G. Thomas Esq	33	33
B.A.S. Thomas Esq	34	34

FINANCE

The Directors have indicated that credit facilities in the form of Bank Overdraft, Bank Loans and Associated Company Loan Account are expected to continue in the foreseeable future.

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of Messrs. Farmery & Co., as Auditors to the Company will be put to the Annual General Meeting.

REGISTERED OFFICE

594 Hertford Road
Enfield
Middx

ON BEHALF OF THE BOARD


Secretary - B A S Thomas

20th January 1993
Date

AUDITORS REPORT

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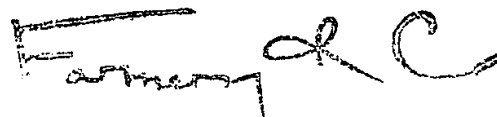
TO THE MEMBERS OF LAUREL GORDON PROPERTIES LIMITED

We have Audited the Financial Statements on Pages 3 to 10 in accordance with Auditing Standards.

These Accounts have been prepared under the Going Concern Concept of Accounting. This is dependent upon the provision of continued finance by the Company's Bankers and Associated Companies. The Directors have indicated in their Report that these facilities are expected to continue in the foreseeable future.

Subject to this reservation, in our opinion, the Financial Statements give a true and fair view of the state of the Company's affairs at 31st March 1992 and of its Loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

FARMERY & CO
Tudor House
24 Cecil Road
Enfield
Middx
EN2 6TG

A handwritten signature in dark ink, appearing to read 'Farmery & Co', with a stylized flourish at the end.

20 January 1993

Registered Auditors

LAUREL GORDON PROPERTIES LIMITED**Page 3****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST MARCH 1992**

	<u>Notes</u>	<u>£</u>	<u>1992</u> <u>£</u>	<u>£</u>	<u>1991</u> <u>£</u>
TURNOVER	2		845,257		579,000
Cost of Sales			676,031		516,228
GROSS PROFIT			169,226		62,772
Administrative Expenses		52,815		61,376	
Rents Received		(81,202)		(94,567)	
Interest Received		-		(21)	
Interest Payable and Similar Charges	5	238,782		291,810	
Associated Company Loan Provision		12,913			
			220,707		258,597
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3		(51,461)		(195,825)
Taxation	6		(427)		1,889
(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION			(51,888)		(193,936)
Extraordinary Item	14		-		(4,115)
(LOSS) FOR THE FINANCIAL YEAR			(51,888)		(198,051)
(ACCUMULATED LOSSES) BROUGHT FORWARD			(207,634)		(9,583)
(ACCUMULATED LOSSES) CARRIED FORWARD			(259,522)		(207,634)

The attached Notes form an integral part of these Accounts and should be read in conjunction therewith.

LAUREL GORDON PROPERTIES LIMITED

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BALANCE SHEET**AS AT 31ST MARCH 1992**

	<u>Notes</u>	<u>£</u>	<u>1992</u>	<u>£</u>	<u>£</u>	<u>1991</u>	<u>£</u>
FIXED ASSETS							
Tangible Assets	7		19,070			19,839	
Investment in Laurel Gordon plc			50,000			50,000	
			<u> </u>			<u> </u>	
			69,070			69,839	
CURRENT ASSETS							
Stocks	8	1,987,311			2,121,474		
Debtors	9	106,268			126,855		
		<u> </u>			<u> </u>		
		2,093,579			2,248,329		
CURRENT LIABILITIES							
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	1,905,056			1,971,710		
		<u> </u>			<u> </u>		
NET CURRENT ASSETS			188,523			276,619	
			<u> </u>			<u> </u>	
TOTAL ASSETS LESS CURRENT LIABILITIES							
			257,593			346,458	
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR							
			517,015			553,992	
			<u> </u>			<u> </u>	
			(259,422)			(207,534)	
PROVISION FOR LIABILITIES AND CHARGES							
Deferred Taxation	13		-			-	
			<u> </u>			<u> </u>	
NET LIABILITIES			(259,422)			(207,534)	
			<u> </u>			<u> </u>	
CAPITAL AND RESERVES							
Called-Up Share Capital	11		100			100	
Profit and Loss Account - Deficit			(259,522)			(207,634)	
			<u> </u>			<u> </u>	
DEFICIENCY OF CAPITAL			(259,422)			(207,534)	
			<u> </u>			<u> </u>	

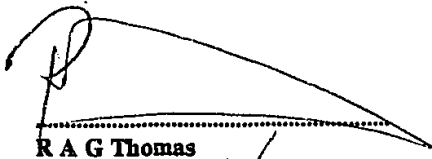
LAUREL GORDON PROPERTIES LIMITED

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BALANCE SHEET - Continued

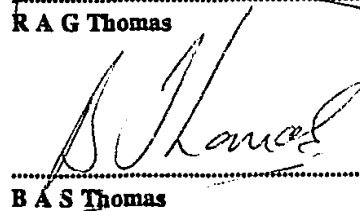
AS AT 31ST MARCH 1992

The Financial Statements on Pages 1 to 11 were approved by the Board of Directors on 20th January 1993 and were signed on their behalf by:


.....
R A G Thomas

)
)
)
)
)
)
)

Directors


.....
B A S Thomas

The attached Notes form an integral part of these Accounts and should be read in conjunction therewith.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31ST MARCH 1992****1. ACCOUNTING POLICIES****a. Accounting Standards**

The Financial Statements have been prepared in accordance with applicable Accounting Standards.

b. Accounting Convention

The Financial Statements are prepared under the Historical Cost Convention.

c. Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small Company.

d. Depreciation

Depreciation is provided on all Tangible Fixed Assets at rates calculated to write off the cost or valuation over its expected useful life, as follows:

Motor Vehicles	25% Reducing Balance
Plant and Equipment	20% Reducing Balance
Office Equipment	20% Reducing Balance

e. Stocks

Stocks are stated at the lower of cost and net realisable value.

f. Turnover

Turnover represents property sales less selling expenses, excluding Value Added Tax.

2. TURNOVER

The Turnover and Loss before Taxation is attributable to the one principal activity of the Company. An analysis of Turnover is given below:

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
United Kingdom	<u>845,257</u>	<u>579,000</u>

is stated after the following amounts:

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
Directors Remuneration	-	-
Staff Costs (Note 4)	33,653	22,501
Depreciation	4,506	5,392
Auditors Remuneration	<u>7,834</u>	<u>4,865</u>

NOTES TO THE FINANCIAL STATEMENTS - Continued**FOR THE YEAR ENDED 31ST MARCH 1992****4. STAFF COSTS**

	<u>1992</u> £	<u>1991</u> £
Wages and Salaries	31,012	20,614
Social Security Costs	2,641	1,887
	<u>33,653</u>	<u>22,501</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1992</u> £	<u>1991</u> £
On Bank Loans and Overdrafts and Loans wholly repayable within five years	231,619	283,429
Mortgage Interest on Loans over five years	6,563	8,381
	<u>238,182</u>	<u>291,810</u>

6. TAXATION

The Taxation charge for the year is made up as follows:

	<u>1992</u> £	<u>1991</u> £
Adjustment Prior Year	427	-
Corporation Tax Interest Paid	-	(739)
Corporation Tax Interest Received	-	2,628
	<u>427</u>	<u>1,889</u>

NOTES TO THE FINANCIAL STATEMENTS - Continued

FOR THE YEAR ENDED 31ST MARCH 1992

7. TANGIBLE FIXED ASSETS

	<u>Total</u> £	<u>Plant and Equipment</u> £	<u>Motor Vehicles</u> £	<u>Office Equipment</u> £
<u>Cost or Valuation</u>				
At 1st April 1991	51,008	5,155	19,190	26,663
Additions	3,736	1,059	-	2,677
	-----	-----	-----	-----
At 31st March 1992	54,744	6,214	19,190	29,340
	-----	-----	-----	-----
<u>Depreciation</u>				
At 1st April 1991	31,169	2,298	13,976	14,895
Charge for Year	4,505	730	1,304	2,471
	-----	-----	-----	-----
At 31st March 1992	35,674	3,028	15,280	17,366
	-----	-----	-----	-----
<u>Net Book Value</u>				
At 31st March 1992	<u>19,070</u>	<u>3,186</u>	<u>3,910</u>	<u>11,974</u>
At 31st March 1991	<u>19,839</u>	<u>2,857</u>	<u>5,214</u>	<u>11,768</u>

8. STOCKS

	<u>1992</u> £	<u>1991</u> £
Stocks comprise:		
Properties purchased plus expenditure to date	<u>1,987,616</u>	<u>2,121,474</u>

9. DEBTORS

	<u>1992</u> £	<u>1991</u> £
Amounts falling due within one year:		
Trade Debtors	22,152	2,000
Other Debtors	11,875	31,170
Prepayments	3,848	1,949
A.C.T. Recoverable	-	6,658
Corporation Tax Refund	-	24,147
Loans to Associated Companies	68,393	60,931
	-----	-----
	106,268	126,855
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS - Continued**FOR THE YEAR ENDED 31ST MARCH 1992****10. CREDITORS**

	<u>1992</u> £	<u>1991</u> £
Amounts falling due within one year:		
Bank Overdraft 'Secured' - See Note 12	1,147,170	1,485,713
Bank Mortgage - Current Instalment - See Note 12	8,868	1,920
Bank Loan	400,000	400,000
Trade Creditors	305,245	890
Corporation Tax	-	6,230
Other Creditors and Accruals	14,777	12,736
Directors' Loan Accounts	25,577	58,172
Social Security and Other Taxation	3,419	6,049
	<hr/> 1,905,056	<hr/> 1,971,710
	<hr/> <u>1992</u> £	<hr/> <u>1991</u> £
Amounts falling due after more than one year:		
Amounts due to Associated Companies	479,344	507,068
Bank Mortgage (25 year term from March 1990) - Note 12	37,671	46,924
	<hr/> 517,015	<hr/> 553,992
	<hr/> <u>1992</u> £	<hr/> <u>1991</u> £

11. CALLED-UP SHARE CAPITAL

	<u>1992</u> £	<u>1991</u> £
Authorised : 100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Alotted, Called-Up and Fully Paid 100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

12. BANK OVERDRAFT/BORROWING

The Company's Bankers hold a Debenture on Bank Form, over certain Freehold Properties owned by the Company. In addition, the Bankers hold a third party security by way of a Legal Charge over Freehold Properties, pledged by Thomas Arthur & Gordon Limited and A. & G. Thomas Investments Limited.

On the 31st March 1990, the Company effected a 25 year term mortgage for £48,000. This is secured by way of a First Charge over the Freehold Deeds of the property purchased.

13. CONTINGENT LIABILITIES

A contingent liability exists in respect of Guarantees given by the Company to Barclays Bank plc, relating to monies owed to the Bank at anyone time by the following Associated Companies.

A. & G. Thomas Investments Limited
Thomas Arthur & Gordon Limited
Laurel Gordon Construction Limited

14. SUBSEQUENT EVENTS

In July 1992 the Company converted the major part of Bank Overdraft facilities to Medium Term Bank Loan.