

EAGLEY DEVELOPMENTS LIMITED

DIRECTORS' REPORT AND STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 15TH APRIL, 1994

Company Number 02272031 (Registered in England and Wales)



EAGLEY DEVELOPMENTS LIMITED

Company Information

Directors: Michael J. Willan
Miss. Nadia Willan

Secretary: Miss. Nadia Willan

Company Number: 02272031 (England and Wales)

Registered Office: 29 Burnley Road East,
Waterfoot,
Rossendale,
Lancs.
BB4 9AG

Auditors: Halliwell and Horton,
Chartered Accountants and Registered Auditors,
29 Burnley Road East,
Waterfoot,
Rossendale,
Lancs.
BB4 9AG

Bankers: The Royal Bank of Scotland PLC,
P. O. Box 356,
38 Mosley Street,
Manchester.
M60 2BE

EAGLEY DEVELOPMENTS LIMITED

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EAGLEY DEVELOPMENTS LIMITEDDIRECTORS' REPORT FOR THE YEAR
ENDED 15TH APRIL, 1994

The directors' present their report and accounts for the year ended 15th April, 1994.

Principal Activities:

The Company's principal activity continued to be property development and management.

Directors:

The directors' who served during the year and their beneficial interests in the Company's ordinary share capital were:-

	<u>1994</u>	<u>1993</u>
Michael J. Willan	99	99
Miss. Nadia Willan	1	1

Auditors:

The auditors, Halliwell and Horton, Chartered Accountants and Registered Auditors are deemed to be reappointed in accordance with Section 385 of the Companies Act 1985 by virtue of an Elective Resolution passed by the members on the 18th March, 1991.

The report was approved by the Board on
advantage of special exemptions available to small companies.

7th June 1995

taking

Signed on behalf of the Board of Directors



Director

EAGLEY DEVELOPMENTS LIMITED

AUDITORS' REPORT
TO THE MEMBERS OF EAGLEY DEVELOPMENTS LIMITED

We have audited the accounts on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to the shareholders. Company law requires the directors to prepare accounts 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 those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently.

Make judgements and estimates that are reasonable and prudent.

Prepare the accounts 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 accounts 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.

Opinion

During the year under review there was a breakdown in the accounting system and proper books and records were not kept. The directors instructed us to prepare the accounts from the information available. Due to a lack of documentary evidence we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs at 15th April, 1994 and of its profit for the year then ended. In our opinion the format of the financial statements have been properly prepared in accordance with the Companies Act 1985.

Halliwel and Horton,
Chartered Accountants & Registered Auditors,
29 Burnley Road East,
Waterfoot,
Rossendale,
Lancs. BB4 9AG

Date:

Halliwel & Horton
8th June 1995

EAGLEY DEVELOPMENTS LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 15TH APRIL, 1994

	<u>1994</u>	<u>1993</u>
Turnover (see note 1.2)	-	-
Cost of Sales	<u>-</u>	<u>-</u>
Gross Profit	-	-
Administrative Expenses	(<u>3,228</u>)	(<u>6,085</u>)
	(3,228)	(6,085)
Other Operating Income (see note 3)	<u>78,204</u>	<u>63,013</u>
Operating Profit (see note 2)	74,976	56,928
Profit on Sale of Fixed Assets in Continuing Operations	<u>-</u>	<u>7,508</u>
Profit on Ordinary Activities before Interest Payable	74,976	64,436
Interest Payable	(<u>45,175</u>)	(<u>70,989</u>)
Profit on Ordinary Activities before Taxation	29,801	(6,553)
Tax on Profit on Ordinary Activities (see note 4)	<u>-</u>	<u>-</u>
Profit (Loss) for the Financial Year	29,801	(6,553)
Loans Written Off:		
J. E. F. Developments Limited	-	33,787
Tresshill Limited	<u>-</u>	<u>13,561</u>
	-	(47,348)
Retained Profit (Loss) for the Year (see note 11)	<u>29,801</u>	<u>(53,901)</u>

There were no recognised gains or losses other than those included in the Profit and Loss Account.

The notes on pages 5 to 8 form part of these accounts.

EAGLEY DEVELOPMENTS LIMITEDBALANCE SHEET
AT 15TH APRIL, 1994

	1994	1993
	£	£
<u>Tangible Fixed Assets:-</u> (see note 1.3 & 8)	4,855	6,474
<u>Investments:-</u> (see note 9)	90	90
	4,945	6,564
<u>Current Assets:-</u>		
Stock (see note 1.4)	780,722	780,722
Debtors (see note 5)	30,047	-
Cash at Bank	9	9
	810,778	780,731
<u>Creditors:</u> Amount falling due within one year (see note 6)	820,387	832,163
<u>Net Current (Liabilities):</u>	(9,609)	(51,432)
<u>Total (current liabilities) less Assets:</u>	(4,664)	(44,868)
<u>Creditors:</u> Amounts falling due after more than one year (see note 7)	(411,270)	(400,867)
	(415,934)	(445,735)
<u>Capital and Reserves:</u>		
Called Up Share Capital (see note 10)	100	100
Profit and Loss Account (see note 11)	(416,034)	(445,835)
Shareholders' Funds (see note 12)	(415,934)	(445,735)

Approved by the Board of Directors on
its behalf.

7th June 1995

and signed on

The directors have taken advantage, in preparing these accounts, of the exemptions conferred on small companies by Schedule 8, Part 1 of the Companies Act 1985. In the opinion of the directors the company qualifies as a small company and is therefore entitled to make use of these exemptions.

[Signature]

Director

The notes on pages 5 to 8 form part of these accounts.

EAGLEY DEVELOPMENTS LIMITEDNOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 15TH APRIL, 19941. Accounting Policies:1.1 Basis of Preparation of Accounts:

The accounts are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover:

Turnover comprises the value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible Fixed Assets and Depreciation:

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles

25% reducing balance basis

1.4 Stock:

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

2. Operating Profit (Loss):

The operating profit is stated after charging:

Depreciation of tangible fixed assets

owned by the company

Audit and Accountancy Charges

1994

1993

1,619

2,158

1,500

2,350

3. Other Operating Income:

1994

1993

Rent Received

78,204

78,013

Management Fee

-

(15,000)

4. Taxation:

1994

1993

U. K. Current year taxation

U. K. Corporation Tax repayable at 25%

-

-

-

-

continued

EAGLEY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 15TH APRIL, 1994
continued

5.	<u>Debtors: due within one year</u>	<u>1994</u>	<u>1993</u>
	Associated Companies (see note 5.1)	<u>30,047</u>	<u>-</u>

5.1	<u>Loans to Associated Companies:</u>	<u>1994</u>	<u>1993</u>
	<u>Comprise:</u>		
	Acer Limited	<u>30,047</u>	<u>-</u>

There are no formal repayment terms for the above loan which is interest free.

6.	<u>Creditors: Amounts falling due within one year</u>	<u>1994</u>	<u>1993</u>
	Bank Overdraft	429,212	445,171
	Building Society Mortgage	58,884	58,888
	Trade Creditors	9,179	7,679
	Associated Companies (see note 6.1)	256,009	265,121
	Directors' Loan Accounts (see note 6.2)	24,853	13,420
	Other Taxation and Social Security	28,993	28,993
	Accruals	<u>13,257</u>	<u>12,891</u>
		<u>820,387</u>	<u>832,163</u>

6.1	<u>Loans from Associated and Subsidiary Companies:</u>	<u>1994</u>	<u>1993</u>
	Acer Limited	-	9,112
	Readymove Limited	9,842	9,842
	Ariel Developments Limited	18,412	18,412
	North West Central Developments Limited	106,855	106,855
	Ternglade Limited	<u>120,900</u>	<u>120,900</u>
		<u>256,009</u>	<u>265,121</u>

There are no formal repayment terms for the above loans which are interest free. The repayment of these loans is dependent on the Company realising its full potential for the sale of its stock (see note 13).

- 6.2 Directors' Loans:
The directors have loaned funds to the company with no fixed dates of repayment and no interest has been paid to them.

continued

EAGLEY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 15TH APRIL, 1994
continued

7.	<u>Creditors: Amounts falling due after more than one year</u>	<u>1994</u>	<u>1993</u>
	Building Society Mortgage	<u>411,270</u>	<u>400,867</u>
8.	<u>Tangible Fixed Assets:-</u>	<u>Motor Vehicles</u>	
	Cost at 16th April, 1993	8,632	
	Additions	-	
	Disposals	-	
	At 15th April, 1994	<u>8,632</u>	
	Depreciation at 16th April, 1993	2,158	
	Relating to disposals	-	
	Charge for the Year	<u>1,619</u>	
	At 15th April, 1994	<u>3,777</u>	
	<u>Net Book Values:</u>		
	At 15th April, 1994	<u>4,855</u>	
	At 15th April, 1993	<u>6,474</u>	
9.	<u>Investments at cost are as follows:-</u>		
	Comprise 90 ordinary fl shares in Acer Limited, acquired at par. This represents a shareholding of 90% of the issued share capital of that company. The remaining 10% is owned by the directors of Eagley Developments Limited and their associates.		
10.	<u>Share Capital:</u>	<u>1994</u>	<u>1993</u>
	Authorised:		
	Ordinary fl shares	<u>1,000</u>	<u>1,000</u>
	Issued and Fully Paid:		
	Ordinary fl shares	<u>100</u>	<u>100</u>
11.	<u>Profit and Loss Account:</u>	<u>1994</u>	<u>1993</u>
	Balance at 16th April, 1993	(445,835)	(391,934)
	Retained Profit (Loss) for the Year	<u>29,801</u>	<u>(53,901)</u>
	Balance at 15th April, 1994	<u>(416,034)</u>	<u>(445,835)</u>
12.	<u>Reconciliation of Movement in Shareholders' Funds:</u>	<u>1994</u>	<u>1993</u>
	Retained Profit (Loss) for the Year	29,801	(53,901)
	Shareholders' Funds at 16th April, 1993	<u>(445,735)</u>	<u>(391,834)</u>
	Shareholders' Funds at 15th April, 1994	<u>(415,934)</u>	<u>(445,735)</u>

continued

EAGLEY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 15TH APRIL, 1994
continued

13. Bank Overdrafts and Building Society Mortgage:

The bank overdrafts and building society mortgage are secured on the company's stock of freehold property.

The company has in its possession a professional valuation indicating that the property was valued in its existing state at 24th July, 1991 in the sum of £1,300,000 but the directors do not believe this to be realistic in the present economic climate.

If the stock realised this figure a corporation tax liability would arise of the order of £109,000.

The building society mortgage is for a term of fifteen years from December, 1991 and is repayable by monthly instalments at a variable rate of interest.