

# WYNNSTAY PROPERTIES PLC

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CHAIRMAN'S STATEMENT  
DIRECTORS' REPORT  
and  
STATEMENT OF ACCOUNTS  
25TH MARCH 1995

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# WYNNSTAY PROPERTIES PLC

## DIRECTORS

B.L. CANN, F.R.I.C.S.  
*(Chairman)*

M.L. CHEESMER, F.R.I.C.S.  
*(Managing Director)*

P.G.H. COLLINS, L.L.B., B.C.L.

A.R.HARRIS, F.R.I.C.S

P.J.D. LANGRISHE, M.A.  
*(Secretary)*

I.S. LOCKHART, M.A.

M.L.J. MARSHALL, M.A., F.R.I.C.S.

## REGISTERED OFFICE

Adelaide House,  
London Bridge,  
London, EC4R 9DQ

## AUDITORS

C.T. MOORE & CO.  
Adelaide House,  
London Bridge,  
London, EC4R 9DQ

## SOLICITORS

FIELD FISHER WATERHOUSE  
41 Vine Street,  
London, EC3N 2AA

## BANKERS

C. HOARE & CO.  
37 Fleet Street,  
London, EC4P 4DQ

## STOCKBROKERS

TEATHER & GREENWOOD  
Salisbury House,  
London Wall,  
London, EC2M 5TH

## NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the one hundred and ninth ANNUAL GENERAL MEETING of the Members of Wynnstay Properties PLC will be held at the Royal Automobile Club, 89-92 Pall Mall, London, W.1. on WEDNESDAY, the 12th July 1995, at 12.00 noon to transact the following business:

### ORDINARY BUSINESS

1. To adopt the Directors' Report and Statement of Accounts as at 25th March 1995.
2. To declare a Dividend.
3. To re-elect as a Director Ian Stuart Lockhart, who retires by rotation.
4. To elect Anthony Robert Harris as a Director (appointed by the Board since the last General Meeting of the Company)
5. To fix the remuneration of the Directors.
6. To re-appoint C.T. Moore & Co. as Auditors for the ensuing year and authorise the Directors to fix the Auditors' remuneration.
7. To transact any other Ordinary business.

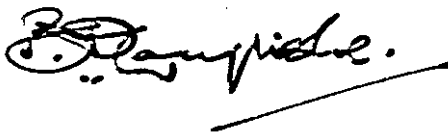
### SPECIAL BUSINESS

8. To consider and, if thought fit, pass the following resolution which will be proposed as an Ordinary Resolution:

"That the Directors be and are hereby generally and unconditionally authorised to exercise all or any of the powers of the Company to allot relevant securities (within the meaning of Section 80 (2) of the Companies Act 1985) of the Company up to an aggregate nominal amount equal to the authorised but unissued share capital of the Company at the date of the passing of this Resolution, such authority to expire (unless previously renewed, varied or revoked by the Company in General Meeting) on 11th July 2000, save that the Company may prior to such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if the authority conferred hereby had not expired."

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and on a poll to vote in his/her stead. The proxy need not be a Member of the Company. Proxies must be lodged at least forty-eight hours before the time appointed for the Meeting.

By Order of the Board  
P.J.D. LANGRISHE  
*Secretary*



Registered Office:  
Adelaide House,  
London Bridge,  
London, EC4R 9DQ

1st June 1995

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The transfer books will be closed from the 23rd June to the 12th July 1995, both dates inclusive.

Subject to the Proposed Dividend being confirmed, the dividend will be payable on the 18th July 1995 and the warrants will be posted to Shareholders or their banks on the 14th July 1995.

# WYNNSTAY PROPERTIES PLC

## CHAIRMAN'S STATEMENT

I am pleased to report a significant improvement in our results in line with the expectations forecast in my Statement last year. This has been achieved despite a sluggish economy and, particularly since publication of the Interim figures, escalation of interest rates as a result of which lack of demand and a becalmed property market have temporarily created a standstill, with capital and rental growth inert in virtually every sector. The two problem tenants of whom I have previously advised have ended up in bankruptcy requiring a final provision for bad debts this year of £58,785. That unhappy position has at least been resolved with both properties promptly relet, but the provision charged against profit mars an otherwise extremely satisfactory year.

Notwithstanding the foregoing, pre-tax profit amounted to £247,304 (1994 - £72,467). After taxation the net profit was £228,222 (1994 - £64,306). Chesterton revalued the investment portfolio as at 25th March 1995 and consistent with the general trend experienced by practically all other property companies, the properties in the portfolio at 25th March 1994 declined in value by 4.96 per cent from £11.28m to £10.72m. However, the prices paid for new acquisitions during the year were fully substantiated.

Gross rental income has increased overall by £212,067 (+20.11%) to £1,266,534 per annum, reflecting income derived for a full year from Cosham, additional revenue from the recent purchase of Marfield Estates Ltd. and, most significantly, the rents received following the acquisition during the year of two shops at Southampton, the parade of four shops at Dorking and the office building at Epsom. In a full year these new investments will contribute a total of £337,500.

The latest medium term facility of £4 million from The United Bank of Kuwait PLC has approximately £700,000 remaining unutilised, and it is intended to draw this balance down during the current year probably to facilitate the purchase of a suitable high-yielding industrial/warehouse investment thereby maintaining the balance of the portfolio which is kept constantly under review. The refurbished office building at Sheffield has now been fully let and consideration will be given to its possible disposal. Negotiations are in hand for the sale of the office development site at Colchester at a satisfactory price and other disposals are also likely as part of an ongoing programme of rationalisation and positive management.

The Company has been particularly active during the year and, despite certain disappointments, there remains every expectation that Wynnstay's fortunes will continue to flourish during the remainder of the decade. Against this background the Board has decided that an increase in dividend would be appropriate. Accordingly, I am pleased to inform you that the Directors recommend a final dividend of 2.5p, giving a total of 4.0p per share (1994 - 3.0p); an increase of 33 per cent for the year.

The Company's shares are currently traded on a matched bargain basis under The London Stock Exchange's Rule 4.2 (the successor to Rule 535.2). This facility will ultimately cease in September 1995. From 19th June the Alternative Investment Market (AIM) will commence trading under the control of the London Stock Exchange and it is the Board's intention to apply forthwith for membership.

The principal objective of AIM is to provide a well-informed and orderly market for a company's shares by ensuring that all information disclosed by the company is disseminated by the Regulatory News Service through Reuters, etc. Trading in an AIM company's shares would be through SEATS PLUS, a service which enables buyers and sellers to trade shares through the Exchange's central trading system, fully monitored by its supervision and surveillance departments and supported by the Company's nominated broker.

There are obvious and significant advantages both to Wynnstay and its shareholders in joining AIM and I shall look forward to bringing you up to date with the progress of the Company's application at the A.G.M.

For many years the Group has operated from antediluvian offices in Union House, situated albeit over El Vino's wine establishment which survived the great fire and provided inspiration to Charles Dickens and others in the City of London. The two leases of the existing offices expire in June and the opportunity has been taken to relocate to nearby modern accommodation at Cleary Court, St. Swithin's Lane. A substantial rent free period was negotiated and the new lease, which enures until 2011, reserves an initial rental considerably less, pro rata, than that currently payable at Union House. The new offices will fully represent and complement the positive image the Company seeks to impart to the institutions and the public at large.

I am saddened to report that, at the A.G.M., John Langrishe will resign as Company Secretary, an office he undertook following his retirement after 8 years as Chairman in 1991. John has been a member of the Board for 36 years and it has been a great pleasure and privilege, since my own appointment as his successor, to work with him and to have the benefit of his wealth of knowledge as to the antecedents of the Company so readily available and freely offered. I am pleased to say that, for the time being, John will remain on the Board as a non-executive Director and I know you will all wish to join me in expressing our sincere gratitude to him for his outstanding leadership during the Company's evolution, coupled with every good wish for his continued well being.

We are indeed fortunate to have secured the services of Mr Peter Kirkland, F.C.A. who joined the Company in February as Financial Controller and Company Secretary (designate). Mr Kirkland was Group Company Secretary of John Lelliott Group PLC (1988-93) and, prior to that, he was for seven years Group Company Secretary of Samuel Properties PLC and Clayform Properties PLC. He has assumed responsibility for the full accounting process for the current financial year and will succeed John Langrishe as Company Secretary immediately after the A.G.M. We wish him every success in his future career with the Company.

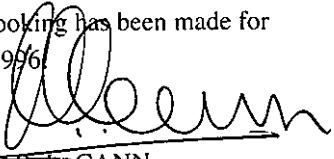
As a result of Mr Kirkland's appointment, the accounts for the year ending 25th March 1995 appear as the final presentation by Messrs. C.T. Moore & Co. The firm will continue as the Company's Auditors, hopefully for many years to come, and Mr Victor Scott Goddard, the senior partner, in addition will remain as a consultant on taxation, finance and other specialist matters. It would be very remiss to allow the diligence of the staff of C.T. Moore & Co., who have been closely associated with our Company's growth and prosperity over such a long period, to fade from memory without due acknowledgement and a most sincere expression of our appreciation for all their endeavours on behalf of the Company and its Shareholders. Victor Scott Goddard's personal involvement, quality of advice and utter professionalism over so many years are legendary and have set standards that will be very difficult to follow. It is of considerable comfort to know that his experience will continue to be available to the Board for some years to come.

We are also very much indebted to the Managing Director, Michael Cheesmer, and all our staff for his and their constant loyalty, dedication and commitment in what has been a particularly busy year.

If any Shareholder wishes to raise specific questions concerning the Accounts it would be appreciated if these could be submitted in writing, preferably prior to Friday 7th July.

Finally, I very much look forward to welcoming as many of you as possible to this year's meeting. However, should you be unable to attend, may I please urge you to find time to complete and return the enclosed form of proxy. Looking further ahead, I would mention that a provisional booking has been made for next year's A.G.M. to be held at the Royal Automobile Club on Thursday 18th July 1996.

1st June 1995

  
B. E. CANN  
Chairman

# WYNNSTAY PROPERTIES PLC

## REPORT OF THE DIRECTORS 1995

The Directors present their One Hundred and Ninth Annual Report, together with the Audited Statement of Accounts for the year ended 25th March 1995.

### 1. Principal Activity

The principal activity of the Group during the year continued to be that of Property Owners, Developers and Managers.

### 2. Results of the Year

A review of last year's results is contained within the Chairman's Statement on pages 4 and 5. The Financial Statements are set out on pages 10 to 19.

The Directors have decided to recommend a final dividend of 2.5 pence per share (1994: 2.0 pence) making a total distribution for the year of 4.0 pence (1994: 3.0 pence) representing an overall increase for the year of 33%. Subject to Shareholders' approval at the forthcoming Annual General Meeting, the final dividend will be paid on 18th July 1995 to those Shareholders whose names appear on the Register on 23rd June 1995.

### 3. Fixed Assets

The investment properties have been valued by Chesterton on the basis of open market value at the 25th March 1995.

The movement in Tangible Fixed Assets is set out in Note 8 on Page 16 of the Accounts, from which it will be seen that there has been a reduction of £750,326, compared with the corresponding figure in 1994.

### 4. Financial Results and Dividends

	1995		1994	
	£	£	£	£
Profit after Taxation		228,222		64,306
Profit retained from previous year		<u>253,507</u>		<u>281,871</u>
Available for Distribution		481,729		346,177
Dividends recommended (per share):				
Interim Paid 1.5p 1994 1.0p	47,329		30,669	
Final Proposed 2.5p 1994 2.0p	78,882		61,338	
<u>4.0p</u> <u>3.0p</u>	<u>126,211</u>		<u>92,007</u>	
Transfer to General Reserve	<u>6,006</u>		<u>663</u>	
		<u>132,217</u>		<u>92,670</u>
Profit Retained:				
Company	809,487		737,624	
Subsidiaries	<u>(459,975)</u>		<u>(484,117)</u>	
		<u>£349,512</u>		<u>£253,507</u>

## WYNNSTAY PROPERTIES PLC

### REPORT OF THE DIRECTORS 1995 – (Cont'd)

#### 5. Directors' Interests

All the Directors held office throughout the financial year under review with the exception of Mr A.R. Harris who was appointed a Director on 12th September 1994. The beneficial interests of the Directors and their immediate families in the Company's shares are as follows:-

		<u>25.3.95</u>	<u>25.3.94</u> (or later date of appointment)
B.L. Cann	Chairman	10,000	10,000
M.L. Cheesmer	Managing Director	13,750	13,750
P.G.H. Collins	Non-Executive	162,353	72,753
A.R. Harris	Non-Executive	10,000	—
P.J.D. Langrishe	Secretary	72,580	72,580
I.S. Lockhart	Non-Executive	10,000	10,000
M.L.J. Marshall	Non-Executive	27,595	27,595

In addition, Mr I.S. Lockhart held a non-beneficial interest in 59,760 shares at both the above dates.

Since 25th March 1995, Mr P.G.H. Collins has acquired 19,400 shares, Mr M.L. Cheesmer has acquired 2,000 shares and Mr. P.J.D. Langrishe has acquired 1,000 shares.

No Director has any interests in the Company's 8¼% Convertible Unsecured Loan Stock 1992/97. Mr M.L. Cheesmer holds an option to subscribe for 86,333 shares in the Company before 11th October 1999 at an exercise price of 180 pence per share.

Mr M.L. Cheesmer has a three year Service Agreement with the Company expiring on 30th September 1997.

In accordance with the Articles of Association, Mr I.S. Lockhart retires by rotation and, being eligible, offers himself for re-election. Mr A.R. Harris, having been appointed since the previous A.G.M., offers himself for election.

#### 6. Directors' Responsibilities in respect of the preparation of Financial Accounts

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 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.

# WYNNSTAY PROPERTIES PLC

## REPORT OF THE DIRECTORS 1995 – (Cont'd)

### 7. Directors' and Officers' Liability Insurance

The Company has maintained Directors' and Officers' insurance as permitted by Section 310 of the Companies Act 1985.

### 8. Substantial Interests

To the date of this report, the Directors have been notified or are aware of the following interests, which are in excess of three per cent of the issued Ordinary Share Capital of the Company:

	<u>No. of Ordinary Shares of 25p</u>	<u>Percentage of issued share Capital</u>
Panther Securities PLC	615,448	19.51
Mr H.J.A. Bird	217,000	6.88
Mr P.G.H. Collins	181,753	5.76
Miss M.E. Dickinson	112,000	3.55

### 9. Donations

The Company made no charitable or political donations during the year.

### 10. Employees

Where appropriate, employees are informed on issues which are of interest to, or concern them. The Company's policy is to recruit and develop its employees on the basis of their suitability, experience and aptitude and regardless of sex, creed, race, nationality and disability.

### 11. Close Company

The Directors are of the opinion that the Company is not a close company within the terms of the Income and Corporation Taxes Act 1988.

### 12. Auditors

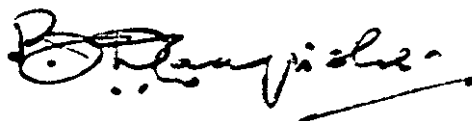
The Auditors, Messrs C.T. Moore & Co., are willing to continue in office as Auditors of the Company and a Resolution re-appointing them and authorising the Directors to fix their remuneration will be submitted to the Annual General Meeting.

### 13. Annual General Meeting

The notice of the Annual General Meeting appears on page 3.

The Ordinary Resolution, numbered eight, to be considered under Special Business, seeks to authorise the Directors to allot relevant securities of the Company to the extent of the presently authorised but unissued share capital. If approved, this will replace the existing authority which will otherwise expire on 9th December 1995, prior to the next scheduled General Meeting of the Company.

By Order of the Board,  
P.J.D. LANGRISHE  
Secretary  
1st June 1995





## REPORT OF THE AUDITORS

### TO THE MEMBERS OF WYNNSTAY PROPERTIES PLC

We have audited the Financial Statements set out on Pages 10 to 19 which have been prepared under the historical cost convention as modified by the revaluation of certain Fixed Assets and the Accounting Policies set out on Page 14.

#### Respective Responsibilities of Directors and Auditors

As described on Page 7 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.

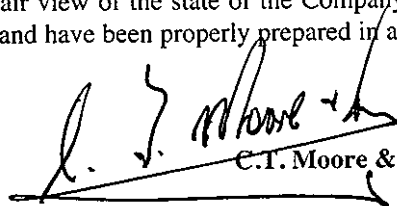
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity 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 the Company's affairs as at 25th March 1995 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Adelaide House,  
London Bridge,  
London, EC4R 9DQ

1st June 1995



C.T. Moore & Co.

Chartered Accountants  
Registered Auditors

**WYNNSTAY PROPERTIES PLC**  
**GROUP REVENUE ACCOUNT YEAR ENDED 25TH MARCH 1995**

	Notes	1995		1994	
		£	£	£	£
<b>Gross Rental Income</b>			1,266,534		1,054,467
<b>Fees and Commissions</b>			17,194		20,061
			<u>1,283,728</u>		<u>1,074,528</u>
Property outgoing	2		100,167		121,231
			<u>1,183,561</u>		<u>953,297</u>
Administration and Other Costs	3		419,508		458,317
<b>Operating Profit</b>			764,053		494,980
Finance Costs (Net)	5		522,755		423,178
			<u>241,298</u>		<u>71,802</u>
Exceptional Items	7		6,006		665
<b>Profit on Ordinary Activities before Taxation</b>			247,304		72,467
Taxation on Profit from Ordinary Activities	6		19,082		8,161
<b>Profit after Taxation Attributable to Ordinary Shareholders</b>			228,222		64,306
Profit retained from previous year			<u>253,507</u>		<u>281,871</u>
			481,729		346,177
Appropriations:					
Dividends per share					
Interim Paid	1.5p 1994 1.0p		47,329		30,669
Final Proposed	2.5p 1994 2.0p		78,882		61,338
	<u>4.0p</u> <u>3.0p</u>		<u>126,211</u>		<u>92,007</u>
Transfer to General Reserve	7		6,006		663
			<u>132,217</u>		<u>92,670</u>
<b>Retained at End of Year</b>					
Wynnstay Properties PLC		809,487		737,624	
Subsidiary Companies		(459,975)		(484,117)	
			<u>£349,512</u>		<u>£253,507</u>
<b>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</b>				<b>1995</b>	<b>1994</b>
Profit for the Financial Year after Taxation				228,222	64,306
(Deficit) Surplus on revaluation of Investment Properties				(750,326)	672,518
Total Recognised Gains and Losses for the Year				<u>(£522,104)</u>	<u>£736,824</u>

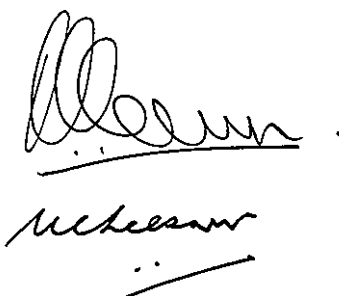
**WYNNSTAY PROPERTIES PLC**  
**GROUP BALANCE SHEET AT 25TH MARCH 1995**

	Notes	1995		1994	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8		13,965,291		11,293,350
<b>Investments</b>	10		146,574		166,741
			<u>14,111,865</u>		<u>11,460,091</u>
<b>Current Assets</b>					
Trading Properties at Directors' Valuation			570,000		570,000
Debtors	11		431,747		450,247
Cash at Bank and in Hand			18,558		22,055
			<u>1,020,305</u>		<u>1,042,302</u>
<b>Creditors: Amounts falling due within one year</b>	12		<u>635,128</u>		<u>762,198</u>
			385,177		280,104
<b>Total Assets Less Current Liabilities</b>			14,497,042		11,740,195
<b>Creditors: Amounts falling due after more than one year</b>	13		<u>(8,553,205)</u>		<u>(5,321,489)</u>
			5,943,837		6,418,706
<b>Provision for Liabilities and Charges</b>					
Deferred Taxation	14		(67,833)		(80,579)
<b>Net Assets</b>			<u><u>£5,876,004</u></u>		<u><u>£6,338,127</u></u>
<b>FINANCED BY</b>					
<b>Share Capital</b>	15		788,817		766,717
<b>Reserves</b>					
Capital Redemption Reserve	16		204,528		204,528
Share Premium Account	17		1,135,249		1,053,479
Capital Reserve	18		152,986		70,664
Investment Revaluation Reserve	19		2,716,809		3,467,135
General Reserve	20		528,103		522,097
Revenue Account			<u>349,512</u>		<u>253,507</u>
			5,087,187		5,571,410
<b>Shareholders' Funds</b>			<u><u>£5,876,004</u></u>		<u><u>£6,338,127</u></u>

Approved by the Board on 1st June 1995

B.L. CANN  
M.L. CHEESMER

} Directors



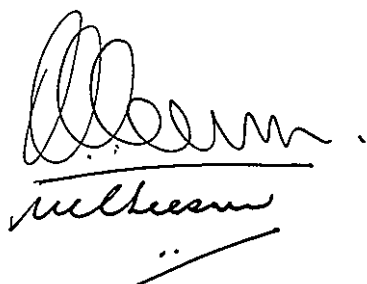
**WYNNSTAY PROPERTIES PLC**  
BALANCE SHEET AT 25TH MARCH 1995

	Notes	1995		1994	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8		11,190,291		8,563,350
<b>Investment in Subsidiaries</b>	9		2,406,510		2,210,124
			<u>13,596,801</u>		<u>10,773,474</u>
<b>Current Assets</b>					
Debtors	11	1,648,058		1,622,480	
Cash at Bank and in Hand		1,712		938	
		<u>1,649,770</u>		<u>1,623,418</u>	
<b>Creditors: Amounts falling due within one year</b>	12	<u>2,415,496</u>		<u>2,358,260</u>	
			(765,726)		(734,842)
<b>Total Assets Less Current Liabilities</b>			12,831,075		10,038,632
<b>Creditors: Amounts falling due after more than one year</b>	13		(8,553,205)		(5,321,489)
			<u>4,277,870</u>		<u>4,717,143</u>
<b>Provision for Liabilities and Charges</b>					
Deferred Taxation	14		(67,833)		(80,579)
<b>Net Assets</b>			<u><u>£4,210,037</u></u>		<u><u>£4,636,564</u></u>
<b>FINANCED BY</b>					
<b>Share Capital</b>	15		788,817		766,717
<b>Reserves</b>					
Capital Redemption Reserve	16	204,528		204,528	
Share Premium Account	17	1,135,249		1,053,479	
Capital Reserve	18	82,160		—	
Investment Revaluation Reserve	19	1,174,910		1,859,330	
General Reserve	20	14,886		14,886	
Revenue Account		<u>809,487</u>		<u>737,624</u>	
			3,421,220		3,869,847
			<u><u>£4,210,037</u></u>		<u><u>£4,636,564</u></u>

Approved by the Board on 1st June 1995

B.L. CANN  
M.L. CHEESMER

} Directors



# WYNNSTAY PROPERTIES PLC

## CASH FLOW STATEMENT FOR THE YEAR ENDED 25TH MARCH 1995

	1995		1994	
	£	£	£	£
<b>Net Cash Inflow from Operating Activities</b>		854,775		451,945
<b>Returns on Investment and Servicing of Finance</b>				
Interest Received	23,333		29,102	
Interest Paid	(546,088)		(451,615)	
Dividends Paid	<u>(108,667)</u>		<u>(76,672)</u>	
<b>Net Cash (Outflow) from Returns on Investment and Servicing of Finance</b>		(631,422)		(499,185)
<b>Tax Paid</b>		(5,894)		(30,002)
<b>Investing Activities</b>				
Purchase of Tangible Fixed Assets	(3,329,417)		(163)	
Disposal of Tangible Fixed Assets	<u>99,957</u>		<u>1,194</u>	
<b>Net Cash (Outflow) Inflow from Investing Activities</b>		(3,229,460)		1,031
<b>Financing</b>				
Bank Loan Drawdown	3,231,716		4,500,000	
Mortgage Loan Repayment	<u>—</u>		<u>(3,472,540)</u>	
<b>Net Cash Inflow from Financing</b>		<u>3,231,716</u>		<u>1,027,460</u>
<b>Net Cash Inflow - Representing Increase in Cash and Cash Equivalents</b>		<u>£ 219,715</u>		<u>£ 951,249</u>
<b>Notes:</b>				
1. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities				
Operating Profit		764,053		494,980
Depreciation		4,504		5,340
Decrease (Increase) in Debtors		18,500		(13,856)
Increase (Decrease) in Creditors		67,718		(34,519)
<b>Net Cash Inflow from Operating Activities</b>		<u>£854,775</u>		<u>£451,945</u>
2. Cash and Cash Equivalents as shown in the Balance Sheet				<b>Change in the Year</b>
Cash at Bank and in Hand		18,558	22,055	(3,497)
Bank Overdraft		<u>(124,509)</u>	<u>(347,721)</u>	223,212
		<u>(£105,951)</u>	<u>(£325,666)</u>	<u>£219,715</u>

# WYNNSTAY PROPERTIES PLC

## NOTES ON THE ACCOUNTS YEAR ENDED 25TH MARCH 1995

### 1. ACCOUNTING POLICIES

Events relating to the year ended the 25th March 1995 which occurred before the date of approval of the Accounts by the Board of Directors, have been included in the Accounts to the extent required by Standard Accounting Practice.

#### BASIS OF CONSOLIDATION

The Group Accounts include the audited Financial Statements of the Company and all Subsidiaries. The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and applicable Accounting Standards.

#### DEPRECIATION

In accordance with Standard Accounting Practice, Group Properties are revalued annually and the aggregate surplus or deficit taken to an Investment Revaluation Reserve. No depreciation or amortisation is provided in respect of Freehold Properties and Leasehold Investment Properties with over 20 years to run. The short Leasehold Property is being amortised over the period of the Lease.

Depreciation of other Fixed Assets is on a straight line basis calculated at annual rates estimated to write off each asset over its useful life.

#### GAINS ON INVESTMENTS

The Gains on disposal of Investment Properties and other investments are shown in the Profit and Loss Account as Exceptional Items before transfer to General Reserve.

#### TRADING PROPERTIES

These are included at the lower of cost or net realisable value. The Directors are of the opinion the net realisable value would be not less than that shown in the Balance Sheet of £570,000.

#### REPAIRS AND RENEWALS

Repairs and Renewals are charged to revenue in the year in which the expenditure is incurred.

#### DEFERRED TAXATION

This represents Taxation deferred calculated by the liability method at current rates of tax in respect of:

- (a) The Capital Gain which would arise were the Property investments disposed of at the valuation shown.
- (b) The potential balancing charges on Industrial Buildings Allowance where the Directors do not preclude a sale within the exemption time limit.
- (c) Timing Differences.

# WYNNSTAY PROPERTIES PLC

NOTES ON THE ACCOUNTS YEAR ENDED 25TH MARCH 1995

	1995	1994
<b>2. PROPERTY OUTGOINGS AND PROVISIONS</b>		
Ground Rents	1,602	1,602
Repairs, Insurance, Rates, etc.	53,064	75,742
Property Management	45,501	43,887
	<u>£100,167</u>	<u>£121,231</u>
<b>3. ADMINISTRATION AND OTHER COSTS</b>		
General Administration	200,237	195,350
Audit Fees	25,277	28,577
Directors' Emoluments, Fees	35,460	35,625
Executive salaries	90,045	81,705
Pension scheme contributions	5,200	5,000
Provision for Bad Debts	58,785	10,744
Depreciation and Amortisation	4,504	5,340
	<u>419,508</u>	<u>362,341</u>
Refinancing costs	—	95,976
	<u>£419,508</u>	<u>£458,317</u>
<b>4. EMOLUMENTS OF THE DIRECTORS OF THE COMPANY</b> (Excluding pension scheme contributions)		
Chairman	£26,800	£21,400
Highest Paid Director	£61,571	£58,065
No. of other Directors receiving		
£0 - £5,000	1	4
£5,001 - £10,000	3	—
£20,001 - £25,000	1	1
The average number of employees including Directors engaged wholly in management and administration	9	9
<b>5. FINANCE COSTS (NET)</b>		
Principal repayable within five years		
8¼% Convertible Unsecured Loan Stock	67,773	67,773
Banks and Other	478,315	379,438
Principal repayable after more than five years		
Mortgage Loan	—	4,404
Interest Payable	<u>546,088</u>	<u>451,615</u>
Less Investment Income		
Quoted Shares	(17,824)	(16,900)
Sundry Interest	(5,509)	(11,537)
Net Cost of Finance	<u>£522,755</u>	<u>£423,178</u>
<b>6. TAXATION</b>		
Corporation Tax	30,263	25,003
Provisions no longer required	(2,000)	—
Dividends, Tax Credits	3,565	3,428
Deferred Taxation	(12,746)	(20,270)
	<u>£19,082</u>	<u>£8,161</u>
<b>7. EXCEPTIONAL ITEMS</b>		<b>Group</b>
	1995	1994
Net proceeds on sale of Quoted Investments transferred to General Reserve	<u>£6,006</u>	<u>£663</u>

# WYNNSTAY PROPERTIES PLC

## NOTES ON THE ACCOUNTS YEAR ENDED 25TH MARCH 1995

8. TANGIBLE FIXED ASSETS	Freehold Land and Buildings	Leasehold Land and Buildings	Plant and Machinery Cost	Total
<b>Group</b>				
Valuation, 25th March 1994	11,275,000	10,000	29,235	11,314,235
Additions	3,419,332	—	20,085	3,439,417
Disposals	(6,912)	—	(15,758)	(22,670)
	<u>£14,687,420</u>	<u>10,000</u>	<u>33,562</u>	<u>14,730,982</u>
Depreciation, 25th March 1994	—	—	20,885	20,885
Charge for Year	—	2,094	4,728	6,822
Disposals	—	—	(12,342)	(12,342)
	<u>£ —</u>	<u>2,094</u>	<u>13,271</u>	<u>15,365</u>
25th March 1995				
Net Book Values	14,687,420	7,906	20,291	14,715,617
(Deficiency) Surplus	(752,420)	2,094	—	(750,326)
Valuation	<u>£13,935,000</u>	<u>10,000</u>	<u>20,291</u>	<u>13,965,291</u>
25th March 1994				
Net Book Values	10,604,548	7,934	8,350	10,620,832
Surplus	670,452	2,066	—	672,518
Valuation	<u>£11,275,000</u>	<u>10,000</u>	<u>8,350</u>	<u>11,293,350</u>
<b>Company</b>				
Valuation, 25th March 1994	8,555,000	—	29,235	8,584,235
Additions	3,299,420	—	20,085	3,319,505
Disposals	—	—	(15,758)	(15,758)
	<u>£11,854,420</u>	<u>—</u>	<u>33,562</u>	<u>11,887,982</u>
Depreciation, 25th March 1994	—	—	20,885	20,885
Charge for Year	—	—	4,728	4,728
Disposals	—	—	(12,342)	(12,342)
	<u>£ —</u>	<u>—</u>	<u>13,271</u>	<u>13,271</u>
25th March 1995				
Net Book Values	11,854,420	—	20,291	11,874,711
(Deficiency) Surplus	(684,420)	—	—	(684,420)
Valuation	<u>£11,170,000</u>	<u>—</u>	<u>20,291</u>	<u>11,190,291</u>
25th March 1994				
Net Book Values	7,994,548	—	8,350	8,002,898
Surplus	560,452	—	—	560,452
Valuation	<u>£8,555,000</u>	<u>—</u>	<u>8,350</u>	<u>8,563,350</u>
			<b>Group</b>	
			<b>1995</b>	<b>1994</b>
Amortisation, Leasehold Property				
Charge as per Revenue Account			1,360	1,360
Increase in surrender value of Sinking Fund				
Assurance in excess of premiums paid			734	706
			<u>£2,094</u>	<u>£2,066</u>
The Leasehold Property is a short lease expiring October 2001				
Capital Commitments			<u>£ —</u>	<u>£ —</u>



# WYNNSTAY PROPERTIES PLC

NOTES ON THE ACCOUNTS YEAR ENDED 25TH MARCH 1995

9. INVESTMENT IN SUBSIDIARIES	Company	
	1995	1994
Shares at Cost, 25th March 1994	2,210,124	2,210,124
Addition at Cost		
Marfield Estates Ltd.	196,386	—
	<u>£2,406,510</u>	<u>£2,210,124</u>

10. INVESTMENTS	Group	
	1995	1994
Quoted		
Market Value £233,281, 1994 £280,523	103,262	125,073
Unquoted		
Sinking Fund Assurance	43,312	41,668
	<u>£146,574</u>	<u>£166,741</u>

(The Sinking Fund Assurance has been maintained at the surrender value at the Balance Sheet Date)

11. DEBTORS	Group		Company	
	1995	1994	1995	1994
Group Balance	—	—	1,210,887	1,210,705
Other Debtors	375,518	375,959	398,980	360,189
Prepayments	56,229	74,288	38,191	51,586
	<u>£431,747</u>	<u>450,247</u>	<u>1,648,058</u>	<u>1,622,480</u>
12. CREDITORS				
Amounts falling due within one year				
Bank Overdraft (Secured)	124,509	347,721	124,509	347,721
Group Balance	—	—	1,849,689	1,658,810
Other Creditors	1,938	25,350	1,290	2,733
Current Corporation Tax	10,890	—	—	—
Other Taxes and Social Security costs	68,011	42,591	64,188	40,926
Proposed Dividend	78,882	61,338	78,882	61,338
Accruals	350,898	285,198	296,938	246,732
	<u>£635,128</u>	<u>762,198</u>	<u>2,415,496</u>	<u>2,358,260</u>

13 CREDITORS				
Amounts falling due after more than one year				
Secured on Freehold Land and Buildings				
Mortgage Loans				
Repayable				
By 1998	4,500,000	4,500,000	4,500,000	4,500,000
By 1999	3,231,716	—	3,231,716	—
8½% Convertible Unsecured Loan				
Stock 1992/1997, convertible into fully paid ordinary shares of the Company at £1.75 per share	821,489	821,489	821,489	821,489
	<u>£8,553,205</u>	<u>5,321,489</u>	<u>8,553,205</u>	<u>5,321,489</u>

14. DEFERRED TAXATION				
Investment Revaluation Reserve	—	—	—	—
I.B.A. utilised	67,833	66,783	67,833	66,783
Timing Differences	—	13,796	—	13,796
	<u>£67,833</u>	<u>80,579</u>	<u>67,833</u>	<u>80,579</u>

# WYNNSTAY PROPERTIES PLC

## NOTES ON THE ACCOUNTS YEAR ENDED 25TH MARCH 1995

	Group		Company	
	1995	1994	1995	1994
<b>15. SHARE CAPITAL</b>				
Authorised				
Ordinary Shares of 25p each	£2,000,000	2,000,000	2,000,000	2,000,000
Allotted, Issued and Fully Paid				
Ordinary Shares of 25p each	£788,817	766,717	788,817	766,717
88,400 Ordinary Shares of 25p each, fully paid, were allotted as consideration for the acquisition of the whole of the Issued Share Capital of Marfield Estates Ltd. at a price of 117.5p per share.				
<b>16. CAPITAL REDEMPTION RESERVE</b>				
Balance 25th March	£204,528	204,528	204,528	204,528
<b>17. SHARE PREMIUM ACCOUNT</b>				
Balance 25th March 1994	1,053,479	1,053,479	1,053,479	1,053,479
Premium on 88,400 Ordinary Shares issued, as in Note 15 above	81,770	—	81,770	—
Balance 25th March 1995	£1,135,249	1,053,479	1,135,249	1,053,479
<b>18. CAPITAL RESERVE</b>				
Balance 25th March 1994	70,664	70,664	—	—
Marfield Estates Ltd, balance of Fair Value of Net Assets acquired	82,322	—	82,160	—
Balance 25th March 1995	£152,986	70,664	82,160	—
<b>19. INVESTMENT REVALUATION RESERVE</b>				
Balance 25th March 1994	3,467,135	2,794,617	1,859,330	1,298,878
(Deficiency) Surplus Note 8	(750,326)	672,518	(684,420)	560,452
Balance 25th March 1995	£2,716,809	3,467,135	1,174,910	1,859,330
<b>20. GENERAL RESERVE</b>				
Balance 25th March 1994	522,097	521,434	14,886	14,886
Transfer from Revenue Account	6,006	663	—	—
Balance 25th March 1995	£528,103	522,097	14,886	14,886
<b>21. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</b>				
			Group	
			1995	1994
Profit for the Financial Year after Taxation			228,222	64,306
Dividends recommended			(126,211)	(92,007)
(Deficit) Surplus on revaluation of Investment Properties			(750,326)	672,518
Share Capital issued during the Year			22,100	—
Share Issue Premium			81,770	—
Fair Value of Net Assets acquired over Shares issued at a premium			82,322	—
Net (Reduction) Addition to Shareholders' Funds			(462,123)	644,817
Opening Shareholders' Funds, 25th March 1994			6,338,127	5,693,310
Closing Shareholders' Funds, 25th March 1995			£5,876,004	£6,338,127

# WYNNSTAY PROPERTIES PLC

NOTES ON THE ACCOUNTS YEAR ENDED 25TH MARCH 1995

22. SUBSIDIARY COMPANIES	Class of Shares	Percentage Held
Wynnstay Developments Ltd	Ordinary	100%
William Wheeler (Properties) Ltd (Shares held by Wynnstay Developments Ltd)	Ordinary	100%
York Road (Bognor) Property Co Ltd	Ordinary	100%
Ripple Properties Ltd	Ordinary	100%
Wynnstay Management Services Ltd	Ordinary	100%
Marfield Estates Ltd	Preference	100%
	Ordinary	100%

# WYNNSTAY PROPERTIES PLC GROUP

## FIVE YEAR SUMMARY

YEARS ENDED 25TH MARCH	1995	1994	1993	1992	1991
<b>REVENUE ACCOUNT</b>					
Property Income	1,283,728	1,074,528	1,024,523	984,006	1,293,601
Profit on Ordinary Activities before Taxation	247,304	72,467	75,012	71,536	35,518
Profit on Ordinary Activities after Taxation	228,222	64,306	54,232	83,673	27,182
Dividends	126,211	92,007	76,672	169,705	236,984
<b>GROUP BALANCE SHEET</b>					
Investment Properties	13,945,000	11,285,000	10,615,000	11,920,000	10,961,000
Shareholders' Funds	5,876,004	6,338,127	5,693,310	6,755,838	8,625,342
<b>PER SHARE</b>					
Earnings, Note 1	7.2p	2.10p	1.77p	2.73p	0.70p
Dividends Paid	4.00p	3.00p	2.5p	5.0p	6.1p
Net Asset Value, Note 2					
Balance Sheet Values	186p	207p	186p	220p	222p
Market Values	193p	212p	190p	233p	238p

### NOTES

1. Calculated by dividing Profit on Ordinary Activities after Taxation by the number of shares in issue at the financial year end.
2. Balance Sheet values are based on the published Accounts Net Asset Value which provides for Deferred Taxation divided by the number of Shares in issue at the year end. The Market Value basis adjusts the Balance Sheet values to the valuations shown in the Accounts before providing for any Taxation which may arise on disposal at such valuation.