



Factfocus Limited

Annual report and financial statements
for the year ended 30 June 2001

Registered number: 1402330



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DIRECTORS

H.N. Moser

S.E. Kramrisch

G.D. Beckett

C.W. Hacking (resigned 7 November 2001)

M. Goldberg (appointed 2 March 2001)

D.J. Seabridge (appointed 3 September 2001)

SECRETARY

G.D. Beckett

REGISTERED OFFICE

Bracken House

Charles Street

Manchester

M1 7BD

AUDITORS

Arthur Andersen

Bank House

9 Charlotte Street

Manchester

M1 4EU

BANKERS

Bank of Scotland

19/21 Spring Gardens

Manchester

M2 1FB

Directors' report

For the year ended 30 June 2001

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 30 June 2001.

Statement of directors' responsibilities

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; and
- 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.

Principal activities

The principal activities of the company continued to be those of financiers, property developers and property rentals.

Business review

The directors consider the results for the year to be satisfactory and look forward to the future with confidence.

Results and dividends

The audited financial statements for the year ended 30 June 2001 are set out on pages 6 to 14. The profit for the year, after tax was £576,213 (2000 - £1,020,059).

The directors do not recommend payment of a dividend (2000 - £nil).

Directors' report (continued)

Directors and their interests

The directors of the company are set out on page 1.

Mr. H.N. Moser is a director of the company's parent company, Blemain Group plc and, as such, his interests in the share capital of that company are disclosed in its directors report. None of the other directors had an interest in the share capital of the company at any time during the year or any other interests required to be disclosed under Schedule 7 of the Companies Act 1985. No director has, or had any material interest in any contract or agreement entered into by the company during the year.

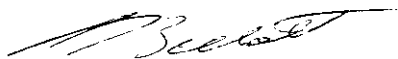
Payments to suppliers

The company agrees terms and conditions for its transactions with suppliers. Payment is then made, subject to the terms and conditions being met by the supplier.

Auditors

The board will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

By order of the Board,



G.D. Beckett
Secretary

30 April 2002

To the shareholders of Factfocus Limited

We have audited the financial statements of Factfocus Limited for the year ended 30 June 2001 which comprise the profit and loss account, the balance sheet, the note of historical cost profits and losses and the related notes numbered 1 to 23. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 circumstances of the company, 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.

Independent auditors' report (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 30 June 2001 and of the company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

Bank House
9 Charlotte Street
Manchester
M1 4EU

30 April 2002

Profit and loss account

For the year ended 30 June 2001

	Notes	2001 £	2000 £
Turnover	2	1,521,507	1,718,428
Cost of sales		(104,428)	(178,529)
Gross profit		1,417,079	1,539,899
Administrative expenses		(722,111)	(915,661)
Operating profit		694,968	624,238
Gain arising on disposal of investment properties		80,002	584,808
Interest receivable and similar income	3	136,414	158,280
Profit on ordinary activities before taxation	4	911,384	1,367,326
Tax on profit on ordinary activities	7	(335,171)	(347,267)
Profit for the financial year	17	576,213	1,020,059

All activity has arisen from continuing operations. There are no recognised gains or losses other than the profit for the financial year.

A statement of movement in reserves is given in note 17.

The accompanying notes are an integral part of this profit and loss account.

Note of historical cost profits and losses

For the year ended 30 June 2001

	2001 £	2000 £
Reported profit on ordinary activities before taxation	911,384	1,367,326
Realisation of property revaluation gains of previous years	11,236	4,952
Historical cost profit on ordinary activities before taxation	922,620	1,372,278
Historical cost profit for the financial year	587,449	1,025,011


The accompanying notes are an integral part of this note of historical cost profits and losses.


Balance sheet

30 June 2001

	Notes	2001 £	2000 £
Fixed assets			
Investment properties	8	5,981,832	6,155,938
Other tangible assets	9	1	1
Investments	10	30,328	25,505
		<u>6,012,161</u>	<u>6,181,444</u>
Current assets			
Stocks	11	327,445	426,197
Debtors			
- due within one year	12	10,901,815	9,973,607
- due after one year	12	14,224	268,541
Cash at bank and in hand		271,883	200
		<u>11,515,367</u>	<u>10,668,545</u>
Creditors: Amounts falling due within one year	13	<u>(6,554,195)</u>	<u>(6,422,148)</u>
Net current assets		<u>4,961,172</u>	<u>4,246,397</u>
Total assets less current liabilities		<u>10,973,333</u>	<u>10,427,841</u>
Creditors: Amounts falling due after more than one year	14	<u>-</u>	<u>(30,721)</u>
Net assets		<u>10,973,333</u>	<u>10,397,120</u>
Capital and reserves			
Called-up share capital	16	200,000	200,000
Revaluation reserve	17	146,758	157,994
Profit and loss account	17	10,626,575	10,039,126
Equity shareholders' funds	18	<u>10,973,333</u>	<u>10,397,120</u>

The financial statements were approved by the board of directors on 30 April 2002 and signed on its behalf by:


G.D. Beckett
Director


H.N. Moser
Director

30 April 2002

The accompanying notes are an integral part of this balance sheet.

Notes to financial statements

30 June 2001

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current year and the preceding year, is set out below.

a) *Basis of accounting*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention, as modified by the revaluation of investment properties and listed investments, including SSAP 19, which unlike the detailed rules of the Companies Act does not require depreciation of freehold and long leasehold investment properties. In addition, grants received in respect of investment properties under construction have been deducted from the cost of such assets, which is also not in accordance with the detailed rules of the Companies Act. The effect of this is to reduce the value of the assets by £110,650 (2000 - £110,650). The lack of depreciation and treatment of grants are necessary to give a true and fair view for the reason explained below in the investment properties accounting policy note.

b) *Tangible fixed assets*

Fixed assets are stated at cost net of depreciation and any provision for impairment.

Depreciation is provided on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used are:

Motor vehicles	25% reducing balance
Other equipment	20% to 33% on cost

c) *Investments*

Fixed asset investments are stated at cost less provision for impairment.

Current assets investments are listed companies and are stated at market value.

d) *Taxation*

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the financial statements and by the tax legislation) has been calculated on the liability method. Deferred taxation is provided on timing differences which will probably reverse, at the rates of tax likely to be in force at the time of the reversal. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse.

Notes to financial statements (continued)

1 Accounting policies (continued)

e) Investment properties

A valuation of investment properties is made annually as at the balance sheet date by the directors, at open market value. A sample of valuations is conducted by external Chartered Surveyors on a periodic basis. Changes in the market value of investment properties are accounted for by way of a movement in revaluation reserve and are included in the statement of total recognised gains and losses unless a deficit (or its reversal) on an individual investment property is expected by the directors to be permanent, in which case the change in market value is charged (credited) to the profit and loss account. On disposal, the cumulative revaluation surpluses or deficits are transferred from the revaluation reserve to the profit and loss account reserve.

Additions to investment properties under development comprise construction costs excluding attributable interest incurred in bringing a project to its present state of completion.

In accordance with SSAP 19 no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view. If this departure from the Act had not been made the profit for the financial year would have been decreased by depreciation. However, the amount of depreciation cannot reasonably be quantified, because of the lack of analysis of the cost/value as between land and buildings.

f) Stocks

Properties held for resale are valued at the lower of cost and estimated net realisable value. Net realisable value is based on the estimated sales price after allowing for all further costs of completion and disposal.

g) Turnover

Turnover, which is derived wholly within the UK, consists of proceeds of properties disposed of which were previously held for resale, interest received and related commissions on money lending agreements and rental income. The interest credit to the profit and loss account is calculated on an accruals basis.

2 Turnover

	2001 £	2000 £
Disposal of properties	119,492	342,692
Loan interest and commissions	382,186	355,590
Rental income	1,017,458	1,017,903
Other income (net)	2,371	2,243
	<u>1,521,507</u>	<u>1,718,428</u>

Notes to financial statements (continued)

3 Interest receivable and similar income

	2001 £	2000 £
Income from listed investments	706	2,271
Bank interest	130,885	152,775
Other interest	4,823	3,234
	<u>136,414</u>	<u>158,280</u>

4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging (crediting)

	2001 £	2000 £
Auditors' remuneration	7,896	5,160
Staff costs (see note 6)	164,169	133,390
Profit on sale of fixed assets	-	(30,844)
	<u>-</u>	<u>(30,844)</u>

5 Staff costs

	2001 £	2000 £
Employee costs, including directors during the year amounted to:		
Wages and salaries	160,749	124,690
Social security costs	3,420	8,700
	<u>164,169</u>	<u>133,390</u>

The average monthly number of employees, including directors, during the year was made up as follows:

	2001 Number	2000 Number
Office and management	<u>23</u>	<u>13</u>

6 Directors' remuneration

The remuneration of the directors was as follows:

	2001 £	2000 £
Emoluments	<u>33,807</u>	<u>30,420</u>

Notes to financial statements (continued)

7 Tax on profit on ordinary activities

The tax charge comprises:

	2001 £	2000 £
UK corporation tax	325,731	410,198
Adjustment in respect of prior year	9,440	(62,931)
	<u>335,171</u>	<u>347,267</u>

8 Investment properties

	2001 £	2000 £
Beginning of year	6,155,938	6,396,073
Additions	1,164,682	652,544
Disposals	(1,338,788)	(892,679)
End of year	<u>5,981,832</u>	<u>6,155,938</u>

The directors consider that the carrying values of investment properties are not materially different from the market value at year end.

9 Other tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
Beginning and end of year	<u>16,805</u>
Depreciation	
Beginning and end of year	<u>16,804</u>
Net book value	
Beginning and end of year	<u>1</u>

10 Fixed asset investments

	2001 £	2000 £
Listed investments at market value	<u>30,328</u>	<u>25,505</u>

The cost of the above investments at 30 June 2001 was £120,727 (2000 - £115,994).

Notes to financial statements (continued)

11 Stocks

	2001 £	2000 £
Properties held for resale	<u>327,445</u>	<u>426,197</u>

12 Debtors

	2001 £	2000 £
Amounts falling due within one year:		
Trade debtors	4,144,198	2,852,378
Amount owed by group undertakings	6,588,109	7,014,956
Amount owed by related companies	167,484	104,773
Other debtors	<u>2,024</u>	<u>1,500</u>
	10,901,815	9,973,607
Amounts falling due after one year:		
Trade debtors	<u>14,224</u>	<u>268,541</u>
	<u>10,916,039</u>	<u>10,242,148</u>

Amounts owed by related companies are in respect of August Blake Developments Limited, Centrestand Limited and UK Mortgage Corporation Limited, companies in which H.N. Moser is a director and shareholder.

13 Creditors: Amounts falling due within one year

	2001 £	2000 £
Bank overdraft	-	30,532
Amounts owed to group undertakings	5,866,343	4,847,321
Amount owed to related company	2,495	23,000
Corporation tax	356,451	742,333
Other taxation and social security	-	105,000
Other creditors	42,614	444,791
Accruals and deferred income	<u>286,292</u>	<u>229,171</u>
	<u>6,554,195</u>	<u>6,422,148</u>

The bank overdraft is secured by way of a cross-guarantee amongst all group companies.

The related company balance is with Sedgewick House Properties Limited, a company in which H.N. Moser is a director and shareholder.

Notes to financial statements (continued)

14 Creditors: Amounts falling due after more than one year

	2001 £	2000 £
UK corporation tax	-	30,721

15 Deferred taxation

There is no unprovided deferred taxation (2000 - £Nil).

16 Called-up share capital

	2001 £	2000 £
<i>Authorised, allotted, called-up and fully-paid</i> 200,000 Ordinary shares of £1 each	200,000	200,000

17 Reserves

	Revaluation reserve £	Profit and loss account £	Total £
At beginning of year	157,994	10,039,126	10,197,120
Profit for the financial year	-	576,213	576,213
Transfer	(11,236)	11,236	-
At end of year	146,758	10,626,575	10,773,333

18 Reconciliation of movements in equity shareholders' funds

	2001 £	2000 £
Profit for the financial year	576,213	1,020,059
Opening shareholders' funds	10,397,120	9,377,061
Closing shareholders' funds	10,973,333	10,397,120

19 Capital commitments

There were no capital commitments as at the year end (2000 - £nil).

Notes to financial statements (continued)

20 Contingent liability

The company's assets are subject to a fixed and floating charge in respect of the £68.5 million bank loan held in the parent company (2000 - £50 million).

21 Cash flow statement

As permitted by Financial Reporting Standard No.1 (Revised 1996), the company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Blemain Group plc which has produced consolidated financial statements that are publicly available.

22 Related party transactions

August Blake Developments Limited, Centrestand Limited and UK Mortgage Corporation Limited are both companies in which Mr. Moser is a shareholder and director.

During the year the company advanced £60,250 to August Blake Developments Limited and a further £2,461 to UK Mortgage Corporation Limited; and paid £20,505 to Sedgewick House Properties Limited reducing the balance outstanding to £2,495.

During the prior year the company recharged net expenses of £7,097 to Centrestand Limited for costs that related to that company but were suffered by Factfocus Limited.

23 Ultimate parent company

The company is a wholly owned subsidiary undertaking of Blemain Group plc, a company incorporated in Great Britain and registered in England and Wales.

The largest and smallest group of which Factfocus Limited is a member, and for which group financial statements are drawn up, is that headed by Blemain Group plc, whose principal place of business is at Bracken House, Charles Street, Manchester, M1 7BD.