

LEALANS LIMITED

COMPANY NO 00585708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1999



LEALANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1999

The Directors submit their report and financial statements for the year ended 31 March 1999.

RESULTS

The net profit for the year ended 31 March 1999 was £54,857.

The Directors do not recommend the payment of a dividend and the profit for the year has been transferred to retained profits. Retained profits of £500,842 are carried forward.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of holding properties as investments.

FIXED ASSETS

The movements in fixed assets are shown in Note 5 to the financial statements.

The company's investment properties were revalued on 31 March 1999. The valuation of £2,029,697, which is £1,025,778 higher than the cost, has been incorporated in these accounts.

DIRECTORS

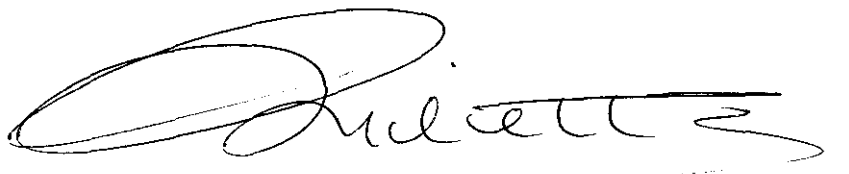
The Directors who served the Company throughout the year, together with their interests (including family interests) in the shares of the Company at the beginning and end of year, were as follows:-

	<u>Number of shares</u>	
	<u>As at 31 March 1999</u>	<u>As at 1 April 1998</u>
M E Ricketts	98	98
Mrs G V Ricketts	2	2

This Directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

Riverside House
1-5 High Street
LONDON COLNEY
Herts
AL2 1RE


M E Ricketts
Secretary

Date.....25.1.2000.....

LEALANS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 1999

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the 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 -

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) 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.

LEALANS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1999

	<u>1999</u>	<u>1998</u>
	£	£
RENTAL INCOME (Note 1)	173,799	156,643
ADMINISTRATION EXPENSES (Note 2)	(93,319)	(136,299)
Operating profit	<u>80,480</u>	<u>50,206</u>
INTEREST RECEIVABLE	-	129
INTEREST PAYABLE (Note 3)	(24,835)	(28,067)
Profit on ordinary activities before taxation	<u>55,645</u>	<u>22,268</u>
CORPORATION TAX (Note 4)	(788)	-
Profit for the financial year	<u>54,857</u>	<u>22,268</u>
RETAINED PROFITS brought forward	445,985	423,717
RETAINED PROFITS carried forward	<u><u>500,842</u></u>	<u><u>445,985</u></u>

There are no gains and losses in the year other than the profit for the year.

There were no acquisitions or discontinuations of business sectors in the year. All amounts therefore refer to continuing operations.

The accompanying notes are an integral part of this Profit and Loss account.

LEALANS LIMITED**BALANCE SHEET AS AT 31 MARCH 1999**

	<u>1999</u>	<u>1998</u>
	£	£
TANGIBLE FIXED ASSETS (Notes 1 & 5)	2,032,363	1,864,295
CURRENT ASSETS:		
Debtors (Note 6)	114,208	138,370
Cash	14,152	-
	128,360	138,370
CREDITORS FALLING DUE WITHIN ONE YEAR (Note 7)	(396,408)	(453,354)
Net current liabilities	(268,048)	(314,984)
TOTAL ASSETS LESS CURRENT LIABILITIES	1,764,315	1,549,311
CREDITORS FALLING DUE AFTER ONE YEAR (Note 8)	(237,595)	(247,595)
DEFERRED TAXATION (Note 9)	(125,000)	(89,070)
	1,401,720	1,212,646
SHARE CAPITAL (Note 10)	100	100
INVESTMENT REVALUATION RESERVE (Note 11)	900,778	766,561
RETAINED PROFITS	500,842	445,985
	1,401,720	1,212,646

The Directors have taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1). No notice has been deposited under S249B(2) of the Companies Act 1985.

The Directors have:

- i) acknowledged their responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985; and
- ii) acknowledged their responsibility for preparing accounts which give a true and fair view of the company and of its profit for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

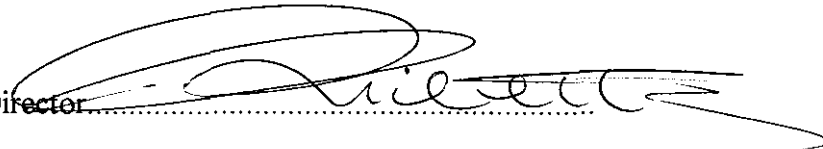
LEALANS LIMITED

BALANCE SHEET (continued) AS AT 31 MARCH 1999

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The accompanying notes are an integral part of this Balance Sheet.

Approved by the board and signed on their behalf on..... 25 Jan 2000

Director.....


LEALANS LIMITED

NOTES TO THE ACCOUNTS : 31 MARCH 1999

1 ACCOUNTING POLICIES:

- a) These accounts have been prepared under the historic cost convention.
- b) Properties held as investment are stated at open market value and are not depreciated in accordance with SSAP 19.
- c) Rental income represents the gross value of rents falling due during the year.
- d) Depreciation is charged over the estimated useful life of fixtures and fittings at 15% to 25% on a straight line basis.
- e) Deferred taxation is provided on the liability method on all timing differences to the extent that they are expected to reserve in the future, calculated at the rate at which it is estimated that tax will be payable.
- f) The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

2 OPERATING PROFIT:

The operating profit is stated after charging:-

	<u>1999</u>	<u>1998</u>
	£	£
Depreciation	2,079	2,878
Directors' remuneration	6,500	6,400
Auditors' remuneration	-	-
	<u> </u>	<u> </u>

3 INTEREST PAYABLE:

This is as follows:-

	<u>1999</u>	<u>1998</u>
	£	£
Bank loans	3,191	7,698
Bank overdraft	4,158	2,757
Mortgage	17,486	17,510
Other	-	102
	<u>24,835</u>	<u>28,067</u>

4 CORPORATION TAX:

The charge to Corporation tax arises as follows:-

	<u>1999</u>	<u>1998</u>
	£	£
Corporation tax at 21% based on results for the year	<u>788</u>	<u>-</u>

5 TANGIBLE FIXED ASSETS:

The movement on these accounts was as follows:-

	<u>Properties</u>	<u>Fixtures & Fittings</u>	<u>TOTAL</u>
	£	£	£
Cost -			
Brought forward	1,859,550	20,906	1,880,456
Additions	-	-	-
Disposals	-	-	-
Surplus on revaluation	170,147	-	170,147
	<u>2,029,697</u>	<u>20,906</u>	<u>2,050,603</u>
Depreciation -			
Brought forward	-	16,161	16,161
Charge for the year	-	2,079	2,079
	<u>-</u>	<u>18,240</u>	<u>18,240</u>
Net Book Value at 31.3.99	<u>2,029,697</u>	<u>2,666</u>	<u>2,032,363</u>
Net Book Value at 31.3.98	<u>1,859,550</u>	<u>4,745</u>	<u>1,864,295</u>

Mr M E Ricketts, a Chartered Surveyor and a director of the company, valued the investment properties at open market value using an existing use basis as at 31 March 1999.

6 DEBTORS:

These are as follows:-

	<u>1999</u>	<u>1998</u>
	£	£
Trade debtors	32,723	29,359
Other debtors	78,158	100,967
Prepayments	3,327	8,044
	<u>114,208</u>	<u>138,370</u>

7 CREDITORS:

Falling due within one year:-

	<u>1999</u>	<u>1998</u>
	£	£
Bank overdraft	-	5,222
Bank loan	10,000	10,000
Trade creditors	2,025	2,025
Corporation Tax	788	-
Social Security and other taxes	1,559	4,856
Accruals	4,919	3,110
Other creditors	377,117	428,141
	<u>396,408</u>	<u>453,354</u>

The bank overdraft and loan is secured by a fixed charge over certain specific properties held as investment.

8 CREDITORS:

Falling due after one year:-

	<u>1999</u>	<u>1998</u>
	£	£
Bank loan	62,500	72,500
Mortgage liability	175,095	175,095
	<u>237,595</u>	<u>247,595</u>

The bank loan is repayable by instalments as follows:-

Within five years	50,000	50,000
After five years	22,500	32,500
	<u>72,500</u>	<u>82,500</u>
Included in current liabilities	(10,000)	(10,000)
	<u>62,500</u>	<u>72,500</u>

The bank loan and the mortgage liability are secured by a fixed charge over certain specific properties held as investment and by guarantees given by the Directors. The mortgage is repayable after five years, not by instalments.

9 DEFERRED TAX:

Deferred taxation provided in the financial statements is as follows:-

	<u>1999</u>	<u>1998</u>
	£	£
Taxation on investment property revaluation surplus -		
Balance brought forward	89,070	74,620
Transfer from investment property revaluation account	35,930	14,450
Balance carried forward	<u>125,000</u>	<u>89,070</u>

10 SHARE CAPITAL:

The share capital of the company comprises 100 Ordinary Shares of £1 each, all of which are issued and fully paid.

11 MOVEMENT IN SHAREHOLDER FUNDS:

This is as follows:-

	Share Capital	Investment Revaluation Reserve	Retained Profits	TOTAL
	£	£	£	£
Balance brought forward	100	766,561	445,985	1,212,646
Revaluation surplus on properties sold during the year		-		-
Surplus on revaluation of investment properties		170,147		170,147
Adjustment to deferred taxation arising from revaluation surplus		(35,930)		(35,930)
Net profit for the year			54,857	54,857
Balance carried forward	100	900,778	500,842	1,401,720